



Transport and Tourism

Challenges, Issues and Conflicts

**Proceedings of the Travel and Tourism Research Association Europe
2009 Annual Conference – Rotterdam / Breda, the Netherlands**

Martin Landré (Editor)

*Centre for Sustainable Tourism and Transport
NHTV Breda University of Applied Sciences*



**EUROPE | Travel and Tourism
CHAPTER Research Association**

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TTRA European Chapter – c/o Dalarna University, S-781 88 Borlänge, Sweden

Printed and bound at NHTV Breda University of Applied Sciences, Breda, the Netherlands

ISBN 978-91-633-4665-1

1. Landré, Martin (Editor)

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22-24 April

Edited by

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The **Travel and Tourism Research Association** (www.ttra.com) is an international network of travel and tourism research and marketing professionals from a wide variety of backgrounds. The Association provides a forum where you may benefit from meeting other people with similar interests. It was founded in 1970 in the USA. Since 1997, the European Chapter of the TTRA (www.ttra-europe.org) has been active in extending its activities in Europe and beyond, especially with its annual conference (www.ttra-europeconference.com). Following Breda and Rotterdam, the next annual conference is scheduled to be held in Budapest, Hungary.

Martin Landré is currently lecturer at the Department of Urban and Regional Planning, NHTV Breda University of Applied Sciences, where he teaches geographical information systems, planning methods and demography, and researcher at this University's Centre for Sustainable Tourism and Transport. He was previously associate professor of geography at the University of South Africa in Pretoria, South Africa and a consulting town planner in this city.

Short introduction to the conference

Although tourism's very existence depends on transport, most researchers in transportation and logistics show little interest in tourism and travel, and few tourism researchers focus on transport issues. Important new technological developments in transport – e.g. the invention of passenger trains and jet aircraft – have always provided significant opportunities for the tourist industry. At the same time, tourism also has a major impact on transport modes and networks through its ability to supply additional motivations for leisure and business travel. Therefore, a strong interdependence between tourism activities and transport systems exists, both of which have expanded at a large scale. However, this continued growth over many decades may be threatened in the near future by global factors such as climate change and security issues. The impact of transport on the environmental quality of destinations (e.g. noise and air pollution, damage to nature and landscapes) may increasingly set limits on tourism growth.

Integrated knowledge of transport and tourism is essential to develop destinations, tourism enterprises and effective tourism policies, and to cope with emerging local and global issues and conflicts. The conference had therefore the following sub-themes:

- global transport developments
- transport and logistics at destinations
- ICT in tourism and transport
- ethical issues and sustainable development

Papers which fitted in these sub-themes were specially welcomed, but papers related to other tourism subjects were also presented.

Acknowledgements

TTRA Europe would like to extend their sincere appreciation to the conference organizers, project leaders, conference chairs, all session chairs and keynote speakers, the dinner speaker, and the panel members and their facilitator:

Conference organizers:

Angelique Lombarts (InHolland University of Applied Sciences), Paul Peeters (NHTV Breda University of Applied Sciences), Marieke Brouwer (InHolland University of Applied Sciences), Martin Landré (NHTV Breda University of Applied Sciences)

Project leaders:

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Breda: Martin Landré (NHTV Breda University of Applied Sciences)

Session chairs:

Ian Henderson (Tourism & Transport Consult International), Paul Peeters (NHTV Breda University of Applied Sciences), Sheila Flanagan (Dublin Institute of Technology), Kaija Lindroth (Haaga-Helia University of Applied Sciences), Pieter Piket (NHTV Breda University of Applied Sciences), Janet Dickinson (Bournemouth University), Hans-Dieter Ganter (Heilbronn University of Applied Sciences), Carlos Lamsfus (Cooperative Research Centre in Tourism), Jarmo Ritalahti (Haaga-Helia University of Applied Sciences). Isabelle Frochot (University of Savoie), Gui Lohmann (University of Hawaii)

Keynote speakers:

Mai Elmar (Municipality of Rotterdam) - *The importance of transport and logistics in a service-experience economy*

Jaap de Wit (University of Amsterdam) - *Connecting and conserving the globe: dilemmas for the airline industry*

Paul Peeters (NHTV Breda University of Applied Sciences) - Tourism, transport and climate change: ethical issues between ineffective and unwanted solutions

Chris Thompson (Federation of Tour Operators) - The role of international tour operators in making the tourism experience more sustainable

Gert Staal (9292 Reisinformatiegroep) - 9292 – A case study in journey experience: how we enhance customer experience and entice people to use public transport with travel information

Dinner speaker:

Noel Sweeney (Tourism & Transport Consult International)

Panel members (panel discussion - *Setting the research agenda for the transport and tourism interface and priorities*):

Frank Oostdam (Algemene Nederlandse Vereniging van Reisondernemingen), Les Lumsdon (University of Central Lancashire), Gui Lohmann (University of Hawaii), Ian Henderson (Tourism & Transport Consult International), Helmut Brall (Treinsreiswinkel)

Facilitator:

Angelique Lombarts (InHolland University of Applied Sciences)

TTRA Europe gratefully acknowledges Rotterdam Airport BV for its financial support of the conference.

TTRA Europe is also indebted to the members of the Scientific Committee, who reviewed about 80 contributions that were submitted for participation at the conference:

Mike Béréno (Hasselt University), Frédéric Dimanche (CERAM Business School), Jos Gadet (InHolland University of Applied Sciences), Sheila Flanagan (Dublin Institute of Technology), Carlos Lamsfus (Cooperative Research Centre in Tourism), Martin Landré (NHTV Breda University of Applied Sciences, editor), Angelique Lombarts (InHolland University of Applied Sciences), Berendien Lubbe (University of Pretoria), Robert Maitland (University of Westminster), Herman Mensink (NHTV Breda University of Applied Sciences), Paul Peeters (NHTV Breda University of Applied Sciences), Jan Willem Proper (NHTV University of Applied Sciences), Jarmo Ritalahti (Haaga-Helia University of Applied Sciences), Karel Werdler (InHolland University of Applied Sciences)

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Measuring competitiveness: ICT as an innovation tool

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Abstract

This paper identifies strategic key issues within the (Basque) tourism sector that will help increase its competitiveness and will set some groundings and orientation to successfully face the second major transformation of the Basque socio-economy.

Our main objective herein is to understand the present state of Basque tourism organisations and institutions with regard to innovation. The paper focuses also on the design of main areas and guidelines which will lead to the development of greater competitiveness of the sector in the future. For this reason not only have we carried out a diagnose of Innovation in the Basque tourism sector, but we have also emphasized the needs highlighted by the relevant institutions and organisations.

Key Words: tourism, Innovation, competitiveness, ICT, Basque Country

1 Introduction

Tourism is a complex phenomenon that includes an industrial activity along with the production and offer of services provided by semi-public organisations. Airline companies, hoteliers, caterers, leisure industry and entertainment and free-time industries are interdependent when it comes to offering a service-product. This interdependence of the different sub-sectors in the production and also in the achievement of common targets means that tourism must be understood as a functional system, i.e. a set of interrelated items for the achievement of common targets.

Recent studies state that innovation within the tourism sector has specific characteristics stemming from its specific peculiarities. On the one hand, tourism products/services are intangible and, on the other hand, companies and resources are interconnected in a way that changes in one company may affect various other agents at the particular destination.

According to this situation, the Basque Country is gaining its own name as a quality tourist destination mainly within an urban environment. There is general agreement on the fact that the Basque tourism sector is a strategic sector with a great potential. Nevertheless, due to the fact that new information and communication technologies have just recently been incorporated to tourism management and delivery activities, in general, there is scarce specific information to promote a more competitive tourism sector with the ability to face the new economy and knowledge-based society.

In the near future, the situation of tourism in the Basque Country and in Europe will have to undergo a deep transformation. The boost of new products and advanced services and innovations will very likely occur in the field of technological applications.

This paper shows the value of innovation as the way to improve the competitiveness of the Basque tourism sector. Innovation and technology are seen as two essential factors for the development and maintenance of a more competitive tourism sector, improving its global sustainability. The final aim of this paper is to show the results of a diagnose that could be used as grounding to design a tourism competitiveness plan for the next years.

The paper is divided as follows. Section 2 presents a theoretical approach to the concept of innovation and its application to the tourism sector. Section 3 presents the diagnose and Section 4 presents the results and implications of the piece of research.

2 Tourism and Innovation

2.1 Definition of Innovation

The concept of innovation has evolved in the last years. Originally, it entailed the idea of creation in a linear pattern within a research and development framework policy. Nowadays, innovation is something more other than that: innovation is part of the culture of an organization and it is born in the complex individual and organizational relations and working environments.

Innovation is an emerging area of study and there exist various definitions in the literature. In this paper, we have chosen the definition of innovation given by the European Council of Lisbon. This definition of INNOVATION can well be used to analyse and identify the competitiveness environment of the tourism sector within the Basque Autonomous Community.

According to the European Council of Lisbon, innovation is *the renewal and enlargement of the range of products and services and associated markets; the establishment of new methods of production, supply and distribution; the introduction of changes in management, work organization and in the working conditions and skills of the workforce* [5].

This definition follows the indications of the European Commission in the sense that regional innovation strategies should contribute to create greater regional differences [4]. This definition also includes a wide ideological framework and it is useful to make a difference between technological and non technological innovation. The later includes new products, services and processes as well as new organisation and management trends and organisational and tourist destinations behaviours.

With regard to the relationship between technological development and innovation [8], the research work that has been carried out in this paper shows that technology is not the only tool, neither it is essential within the innovation process. However, scientific research and technological development normally lead to innovation processes. Thus, it can be said that innovation (sometimes with the use of ICTs, sometimes without) is more than a successful application of the results of a particular piece of research. Innovation also needs research.

That is the reason why the Oslo Manual of the OECD [5] defines innovation as the use of knowledge and its creation, if necessary, to produce goods, services, processes that are new for the company or to improve the existing ones so as to be successful in the market.

2.2 Tourism and Innovation

Tourism industry has a major role to play within the general economic situation of a city, region or country given its current status in Europe and Worldwide [13]. However, research conducted under this general topic (innovation) show (there is little evidence of initiatives within the sector) that the service sector in general and the tourism sector in particular have scarce experience in innovation policies [9]. Of course, exceptions to this statement can be found, e.g. France, Austria and Australia. In all these three cases innovation is not occurring in the sector just due to policies for scientific and technological innovation, but for tourism developing as a sector of its own.

A new conceptual and working framework has appeared during the last decade, mainly due to the impact ICTs and the Knowledge Society have had upon tourism. Within this framework, the last decades have been characterised by the business concentration created by global strategic alliances and cross-national mergers of operators and tourist companies (mainly airlines and hoteliers). Another factor to be pointed out is the great incidence of technologies in tourism distribution systems: the well known initial GDS (Global Distribution Systems) have evolved into more complex applications, i.e. DMS (Destination Management Systems).

This technological outburst has enabled the spreading of features, prices and other important aspects for tourism consumers. The network of the tourism industry has traditionally been made up of small companies with the final objective to create added value products for consumer. Nowadays a wide range of tourism products can be found in Web sites [16] that allow users to choose different alternatives and eventually, design their own travel plan.

There are other occasions in which the design alternatives make it easy to get cheap plane tickets or hotel stays, guarantying at same time, the occupation rate for relevant companies. Regarding this last issue it is important to mention that a number of DMOs (Destination Management Organizations) promoted by the public sector have increased their duties: from just promoters to, in the most advanced cases, information, trade and booking centres of tourism companies for a particular destination [19].

In spite of all these advances and evident benefits, still there are many professionals and senior executives that believe that the scope of the notion of innovation is just limited to the creation of Website. They do not believe in innovation as something cultural that ought to be implemented in all departments and functions of a company.

Tourism consumers are increasingly looking for more customized tourism products and intelligent services that supply high quality, tailor-made, instant, real-time, and easily-available information. Tour Operators and companies have to tackle the challenge of guarantying these offers in a modern, interactive, user-friendly and dependable way.

These are the foundations of competitiveness. They must therefore rethink their products, their management models and the trade channels. In addition to this, they must as well create synergies with other agents in the sector or in ancillary sectors and they should also establish networks of alliances. The global concept of product, management, marketing, general management, financial management, human resources management and training is still scarce within the sector in general and therefore action on them is needed.

It is therefore essential to adapt the concepts included in the definition of innovation that have already been developed in other sectors to the peculiarities of this sector. Intuition, innovation and creativity are going to be needed to reach a high degree of differentiation and specialization in the offer and in the tourist destinations.

The analysis of the situation shows that Innovation and ICTs are key concepts to establish a framework for the analysis of innovation within the Basque tourism sector. This framework includes the global idea of innovation and analyses it through 14 application areas. The model that has been followed includes:

- Identifying specific tools, patterns, systems or technical solutions for each area of innovation;
- Obtaining information about the methods followed by companies in order to integrate innovation in their organisation and general management. This also takes into account potential information sources to have access to state of the art technology or management behaviours and methods;
- Detailed study of the perception and consideration of the organisations about themselves and about their environment in innovation.

3 Diagnose of innovation within the Basque tourism sector

The information collected from each of the organizations that have been approached has been grouped under three main criteria:

- Information about characteristics that could possibly be related to technological innovation: size, demand segment, use rate, etc.
- Information about innovation in the last two years measured in terms of technology incorporation to those areas in which technology adoption could imply a competitive advantage (productive efficiency, ability to differentiate or improvement of the service);
- Information related to technological and non-technological innovation:
 - How to update necessary abilities to successfully implement innovation initiatives;
 - Motivations and difficulties found;
 - Degree of newness; impact obtained;
 - The way to incorporate the productive technology and the activity of the establishment with regard to the technological equipment adopted.

3.1 General Data

This section shows basic information about organisations or institutions in which the sector has been classified in order to conduct the survey. These organizations have been grouped in terms of kind of activity, size and assigned legal status. As it had been expected the

catering and accommodation sub-sectors (66% of the companies) account for the biggest representation in the sample to analyse.

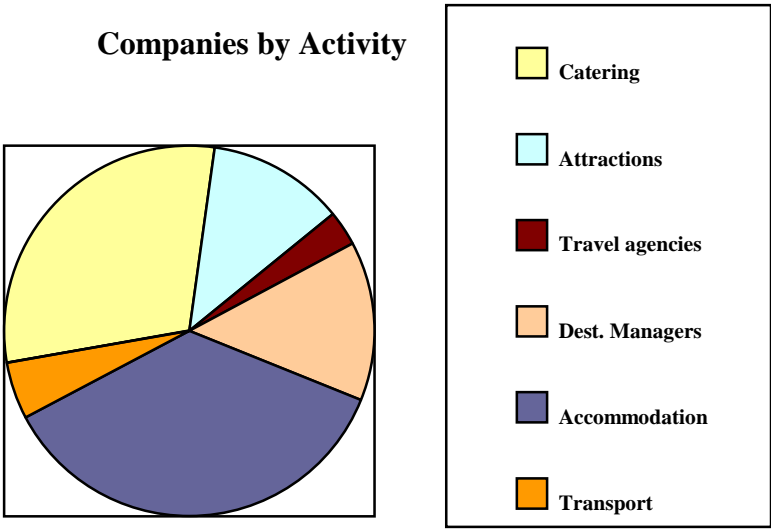


Figure 3.1 Sectors to which the agents belong

3.2 Major Innovations

This Section identifies the tools, patterns, systems or technological solutions defined for each innovation area. We have analysed the survey of organisations with regard to the importance of innovation, availability or non availability of information for their organisation and the company’s potential interest in its acquisition or development.

- Area 1: Product Innovation
- Area 2: Process Innovation
- Area 3: Trade Innovation
- Area 4: Marketing Innovation
- Area 5: Organisation and Management Innovation
- Area 6: ICT's Innovation
- Area 7: Security, Control and Surveillance Innovation

Area 8: Maintenance Innovation
Area 9: Environmental Innovation
Area 10: Sensors Innovation
Area 11: Automation and Robotics Innovation
Area 12: Alimentary Innovation
Area 13: Cleaning and Laundry Innovation
Area 14: Gardening Innovation
Area 15: Other Innovations (sports, conferences, cultural events, etc)

Table 3.1 Major Innovation Areas

According to the answers obtained for each of the areas, it was obvious that Product Innovation, Marketing Communication and Trade Distribution Innovation as well as ICTs accounted the greatest interest.

- **Product Innovation:** The Basque Tourism sector identifies product innovation as something essential or important to survive. More than half of the agents consulted indicate that they have implemented some sort of innovation initiative in this regard. 65% of them indicate a real willingness to acquire these types of services. The development in innovation associated to ancillary activities and their willingness to acquire new technologies to promote improvements follows similar percentages. All agents highlight the under exploitation of the Basque natural, cultural and ethnical heritage from the tourist point of view. They also highlight the need to develop contents and tools based on information and communication technologies to make tourist products more attractive and accessible;

	New Products	Ancillary Services
Non Important	3,1 %	3,4 %
Less Important	7,8 %	10,3 %
Highly Important	37,5 %	43,1 %
Very Important	51,6 %	43,1 %

Table 3.1: Importance of Product Innovation

- **Process Innovation:** The importance of ICTs from a (back-office) management point of view: computer-based production management, supplier management, system

integration management, automation, robotics and process reengineering, sensors or process control and measurement techniques in the Basque tourism sector. Development and implementation of ICT's in the process are considered extremely important as indicated by the fact that more than half of the enquired sector is already implementing innovation initiatives in production management and suppliers management. This is perhaps the reason why we have not observed a great interest in the purchase of new technologies for this type of Innovation;

	Production Management	Systems Integration	Suppliers Management
Non Important	9,3 %	2 %	3,9 %
Less Important	9,3 %	14 %	33,3 %
Highly Important	25,9 %	42 %	31,4 %
Very Important	55,6 %	42 %	31,4

Table 3.2: Importance of Process Innovation

- Trade Innovation: The Trade innovation area was primarily focused on innovation of booking management systems (CRS, GDS), automated travel managers or eCommerce. The analysis of the results shows that the main interest of Basque tourist agents is focused on booking management or eCommerce. Innovation focused on automated travel management has not been listed in the main categories. Nevertheless, international tourist trends indicate that travellers are increasingly demanding tailor-made products and, in many cases, the ability to perform a customised and individualised design is a must. It is necessary to remark that for big companies (GDS and wholesalers), the development of intelligent agents is strategic and these type of systems have already been implemented. We could also consider the fact that inbound travel agencies in the Basque tourism sector have not yet reached a significant weight within the industry;

	Booking Management	e-commerce
Non Important	5 %	3,4 %
Less Important	15 %	13,6 %
Highly Important	21,7 %	25,4 %
Very Important	58,3 %	57,6 %

Table 3.3: Importance of Trade Innovation

- Marketing Innovation has been assessed and prioritized with regard to the rest of the areas already mentioned. We have specifically asked about image and video

systems, offered client personal information, greeting and reminder systems, suggestions, claims or client breaking down systems. Special importance was given to the different ways in which a customised system that adapts the demand to the client could be approached leaving as secondary items the greeting and reminder systems which are more specific of some sub-sectors such as accommodation, etc.

	Client Breakdown	Sugg./ Claims.	Custo. Information.	Images & videos	Greetings & alerts
Non Important	8,8 %	1,6 %	-	1,6 %	8,2 %
Less Important	10,5 %	13,1 %	14,8 %	24,6 %	34,7 %
Highly Important	22,8 %	34,4	37,7 %	27,9 %	32,7 %
Very Important	57,9 %	50,8 %	47,5 %	45,9 %	24,5 %

Table 3.4: Importance of Marketing Innovation

- Organization innovation: In this section we enquired about Innovation with regard to the particular organisation itself in terms of market and technological surveillance systems, strategic planning, yield management, quality systems (HACCP, Q, ISO 9000), self-learning and on-line learning and personal motivation systems. Results show that it is of high importance for the sector strategic planning systems, quality systems and personal motivation. However, percentages of availability of these systems are not over fifty per cent of the sector represented in this sample in any of the cases. With regard to this section, the diagnose has concluded that the Basque tourism sector needs to get access to up to date information on innovations and market trends. Nowadays, most companies obtain their information through their associations, fairs, and specialised magazines as well as through suppliers of different sectors. In general, we consider Innovation extremely important as a strategic and support tool in our initiatives specially with regard to market and observation surveillance;

	Market Surveillance	Strategic Planning.	Quality Systems	On-line learning	Personal Motivation
Non Important	5,3 %	-	3,2 %	8,5 %	1,9 %
Less Important	19,3 %	13,5 %	12,7 %	22 %	11,3 %
Highly Important	26,3 %	36,5 %	31,7 %	27,1 %	35,8 %
Very Important	49,1 %	50 %	52,4 %	42,4 %	50,9 %

Table 3.5: Importance of Organization Innovation

- Environmental Innovation: The focus is put on technologies that allow to reduce consumption, increase reduction of gas emissions, renewable energy, energy efficiency, waste disposal systems, water treatment, etc. Environmental Innovation

is an area of great interest for the tourism sector. Consumption reduction, renewable energy are issues in which a lot of effort is put, even so more than in other more specific issues such as gas emission or water treatment. Tour operators and tourists themselves, who are often the ones that make companies react mainly in order to satisfy the client, promote the awareness on these issues;

	Consumption saving	Renewable Energy	Power Efficiency	Waste Treatment
Non Important	3,8	4,5	4,3	8,9
Less Important	11,5	13,6	14,9	11,1
Highly Important	30,8	36,4	31,9	33,3
Very Important	53,8	45,5	48,9	46,7

Table 3.6: Importance of Environmental Innovation

- **Security Control and Surveillance Innovation:** This area deals with services such as techniques to predict accidents, risk analysis, computer-based evacuation, assistance and rescue systems, emergency situations and accident simulation, systems for traffic control and sailing assistance based on artificial intelligence, systems for alimentary security and environmental surveillance systems and the like. Interest is based on more general services and not on the more specific ones such as artificial intelligence systems for traffic control and sailing assistance or alimentary safety. Moreover, percentages with regard to the availability of these systems and the interest in purchasing them do not reach in most cases 25%. In some cases destination managers have indicated that computer systems for emergency evacuation and control of disasters are necessary. Even artificial intelligence systems for traffic control and simulation models that allow authorities to establish emergency planning. The catering sector has positively assessed these automated systems to guarantee food security during the elaboration and preservation process. To guarantee travellers' safety, to control non-professional people actions and to guarantee the profitability of legal businesses some of the enquired agents pointed out that "it is necessary to invent and develop a "meeting point" for travellers where they can get information about accommodation for the night in San Sebastian without "falling" in the hands of non-professional people that work at tourist arrival places. In those points tourists can also find information about what to do with the car"- quote from a Basque tourist agent.
- **ICT Innovation:** A review regarding technologies applied to the tourism sector was carried out. Most of the enquired agents consider e-mail important or very important and they use it regularly. This is not the case with the availability of intranet and extranet systems. In the case of Web pages, all companies approached have their own Web page or they belong to the general website of the association (for example

many of the Basque farm-houses are included in the page of the Rural Tourism Association). There are just some few agents that still don't have their own web page include the design of the page as one of the short term objectives. Transport companies find communication systems specially useful to collect information on the situation of communication infrastructures as well as to get information of the situation between the stations and the transport itself.

3.3 Conclusions

The results of the diagnose show that the sector is deeply interested in applying innovation to the aforementioned areas as a way to improve the Basque tourism sector's competitiveness. Most of the agents have declared that Innovation and technology can significantly contribute to the development and support of a more competitive sector, improving its sustainability from environmental, economic and social points of view.

The analysis of the information has allowed to indentify that the most urgent needs in terms of innovation to improve the Basque Country's Tourism sector's overall competitiveness is to improve the competitiveness of the destination itself and of each of the sub-sectors. The needs we have identified are the following:

- Comprehensive management of tourism in Basque Country;
- Social, economic and environmental role o tourism;
- Improvement of the access and management of the tourist information;
- Exploitation of the natural and cultural assets;
- Increase of training and professional support for tourism managers;
- ICTs to improve the access to distribution networks and value chains;

The comprehensive diagnose reveals the increasing requirements of the clients and the increasing demand for a change that the different actors that become the biggest generators of the Innovation.

- The tourist: need for more information, more services, greater quality of the relations, a quicker intervention, more choices and more simplicity
- The companies: need for an increased profitability, more productivity, greater speed, they need to be quicker, more integrated, more efficient, simpler, more self-managed, more intuitive...
- The destinations: more demanding, complete, flexible, with a greater adaptability and more externalised.

Demographic changes, the development of the new traveller segments, the European enlargement and the different studies about international tourism perspective confirm the Worldwide trend of an increasingly moving and internationalised society that demands new products and services specially from the tourism and leisure sector. New tourism models will appear with technological base and with a new type of consumer as well as new market

segments more specific and specialised. The value will not be any more to offer a technological product but to offer a value-content or service useful for the end consumer.

Some opportunities and challenges the sector in the Basque Country will have to face can be pointed out:

OPPORTUNITIES	<ol style="list-style-type: none"> 1. - Advantage can be taken of the image of the Basque Country as an innovative country in other sectors to consolidate it as an innovative and technological tourist destination. 2. - Possibility of a comprehensive availability of products due to the wide range of resources attractions and experiences in a reduced area. 3. - The professionalisation, coherence and cooperation of one part of the sector, can have a great influence on the public and private sector policies. 4. - Increase of the commercialisation including new products with already consolidated products such as cultural and sports events (film festival, jazz festival, surf, races, rowing....), gastronomy and wine, etc. 5. - Visitor's satisfaction as a competitive strength not only focused on the improvement of the industry's professionalism but also to contribute to the pride of the Autonomous Basque Community. 6. - The interdependence of the tourism industry with other sectors forces the leaders of other industrial and service sectors, the government and the community to get involved in its future
CHALLENGES	<ol style="list-style-type: none"> 1. - Lack of knowledge of the real value of the tourism in economic, social and environmental terms by the community and the tourist agents. 2. - Lack of a trademark that makes it necessary a bigger commercialisation effort. 3. - Lack of cohesion between tourism organisations. Lack of a strong voice of the sector that has a negative influence in the positions for the negotiation of the relevant policies. 4. - Need to increase airline services and direct trade efforts to turn the Basque Country into a destination choice and to increase its market share. 5. - Lack of training and professionals fidelity in the sector. 6. - One of the key trends will be the combination of the leisure and tourism industries.

Within this context we clearly see two realities:

- The need for modernisation and competitiveness improvement policies in the tourism sector
- The lack of intellectual capital and scientific production in the field of tourism.

The fact that the Basque Autonomous Community has already an important research capital in the field of ICTs is an important advantage in the implementation of innovation within the sector. Nevertheless, due to the strategic importance of tourism in the Basque Country compared to the scarce scientific specialised capital in this field of knowledge, it is essential to promote the creation of a scientific and technological offer of specific excellence in this area to facilitate the integration of the sector with a level of innovation similar from the point of view of science and technology to the level reached by more advanced sectors within our environment.

4 Implications and Conclusions

We can conclude that there is a need to work from two different approaches:

- Innovation policies to improve the competitiveness of the Basque tourism sector;
- Scientific and technological policies to guarantee the position of the tourism sector in the knowledge economy.

Therefore, our conclusions try to deal with and include both fields of action and try to establish a relationship between both of them that ought to assist public institutions, Innovation support and funding institutions as well as tourism professionals and relevant agents of the Basque network.

Firstly, technological Innovation in tourism should be supported through projects that link technology and tourism and try to find solutions for present and future challenges the tourism industry is facing. A specific scientific and technological plan should be developed and technological innovations should be promoted as new tourism products and services and as innovative technological projects linked. The position of the Basque tourist companies ought to be supported within the framework of European projects related to technological Innovation and tourism.

Secondly, it is necessary to support Innovation through specific projects to improve competitiveness. The tourism sector in the Basque Country ought to be a reference for Europe in terms of sophistication through Innovation. Actions to gain access to information and to manage Information through the development of a system to collect and spread tourism information have to be implemented. In addition, projects to modernize the sector, improve infrastructures and technology should be carried out. At the same time, the degree of training of the sector has to increase and a sector which is professionally identified with the business development of the tourism industry through Innovation has to be established.

Cooperation between different tourism institutions for the definition, development and implementation of strategies of the new technologies in the tourism industry is an advantage. There ought to be meeting points for relevant agents, implement a control centre to reinforce surveillance and study consumer and tourism professional habits and carry out enquiries about habits, prospective, present and future, without forgetting a regular follow-up of the market access with its functionality and number of users.

Other implications of this piece of research consider the creation of innovative technology-based business to enhance information on public funding for innovation and different ways

to gain access to them. An official Web site on Technological Innovation could be of help to reach this objective and also to develop a sense of awareness towards innovation actions and support within the tourism sector.

Finally, there is the need to integrate the knowledge created by the innovative and scientific actions and the application of new technologies within the framework of all the schemes of training in tourism at all levels: higher education, professional education and adult education which will include advanced tourism specialization courses such as postgraduate courses, PhD courses and masters, revision of the curricula of staff training and support actions for staff training.

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Ecotourism, sustainability and cultural survival in Ecuador

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Abstract

The paper will discuss the ethical implementation of ecotourism and its effect on indigenous communities in developing nations. The paper will use the case of Quichua Indians in Ecuador to discuss both the advantages of ecotourism as a desirable economic and ecological trajectory, and problems such as ideological ethnocentrism, community alienation, and lack of ethnographic sensitivity in design, implementation and assessment of the projects. Drawing on examples of successful and unsuccessful ecotourism projects in Ecuador, the paper will conclude with policy recommendations.

Keywords: Ecotourism, sustainability, indigenous communities, Ecuador, policy, ethnography

1. Introduction

This paper will engage with the concerns around the ethics and sustainability of ecotourism as it affects indigenous communities in developing nations. The paper will present a combination of theoretical overview and policy analysis, supported with ethnographic data from field research in the biodiverse Amazonian lowlands of Ecuador, populated by native Quichua communities, where ecotourism is a rapidly growing industry. I will start by outlining the benefits of ecotourism (ecosystem preservation, community empowerment, sustainable development), as well as the potential pitfalls (definitional issues, corporate greenwashing, ethnocentric conservation policies decoupled from local needs and concerns, etcetera). Then I will present a historical and ethnographic case study of ecotourism emerging as a tactic of indigenous cultural survival for communities negatively affected by rampant oil exploration and exploitation. Focusing on indigenous actors' engagement with the ecoconservation and sustainable development, I will argue that in a specific national, legal, and historical context, community-based ecotourism can empower communities culturally, economically, and ecologically. This assertion will be ethnographically supported with data collected in several Quichua villages at different stages of involvement with ecotourism. To provide context and contrast, I discuss both successful and unsuccessful ecotourism initiatives, and analyze the factors that may cause ecotourism to become a destructive, rather than empowering force in a community, including inter-community disharmony, inattention to local realities and priorities, and

disruption of preexisting modes of subsistence without adequate compensation. Through presenting these alternate trajectories of ecotourism side-by-side, I will draw conclusions about the conditions necessary to enable ecotourism to be a constructive force for the communities whose ecosystems it aims to conserve.

2. Methods

Research data was gathered through a variety of ethnographic methods: participant observation, and several types of interviews, ranging from topical to freeform, and from prearranged to spontaneous, with Napo Quichua Indians and NGO workers involved with tourism in the Ecuadorean provinces of Napo and Pastaza. Additional methods included metaanalysis of existing ethnographic literature on ecotourism and discursive analysis of language employed by sustainable development and ecotourism-focused NGOs working both in descriptive material of their projects oriented towards the general public, and in assessment literature primarily circulated as a way of sharing institutional experience

3. Considering Ecotourism

This section will outline positive and negative aspects and effects of ecotourism, focusing both on issues of ideology and problems of implementation and assessment.

3.1 The Promise and Positive Effects of Ecotourism

Conservation

Putting issues of reconciling the benefits of ecoconservation with the potential costs to the local communities, ecotourism does aid ecoconservation, especially in the areas vulnerable to natural resource exploitation, or unsustainable agriculture. Legal reclassification of vulnerable areas into protected zones that frequently accompanies ecotourism can be a positive development for ecosystems affected by such endeavors as logging, oil exploitation, road building, etcetera.

Reconciling Development and Sustainability

The global roadmap to development--the Millennium Development Goals adopted by the United Nations members states in 2001--emphasizes environmental sustainability. Target 1 of Goal 7 aims to "Integrate the principles of sustainable development into country policies and programmes and reverse the loss of environmental resources" (UN 2001). But commitment to sustainability is frequently at odds with the normative trajectories to development, as the contemporary development paradigm emphasizes economic growth and Foreign Direct Investment. For developing nations considering economic growth either through exporting raw materials, or through attracting offshore industrial facilities belonging to transnational corporations drawn by less stringent, or less regulated environmental safety standards, the goal of sustainability may seem paradoxically at odds with such goals as reducing poverty through economic growth. For governments and NGOs alike ecotourism, an industry that reconciles sustainability and development, has been embraced as a way of resolving this seeming contradiction, while empowering local communities in the process.

3.2 Negative Issues

Ethnocentric Ideas of Sustainability

In a review of ecotourism in Australia, Blamey (1995) proposed that ecotourism is partially defined by both incorporating education about sustainability, and being sustainably managed.

But the ideology of “sustainability,” which informs ecotourism projects, is itself a cultural construct, constituted within the framework of Western culture, which has, historically, understood the idea of “nature” in a different way than the many indigenous groups who are now being conscripted to participate in the projects of conserving that nature (Strathern 1980). These indigenous people are then presented as “ecologically noble savages” who are inherently close to nature (Redford 1991), and have imagined goals and values ascribed to them. Many well-intentioned projects of sustainable development that focus on what, in the map of the globalized world, is considered to be “the periphery,” are informed by the lingering colonial European conceptions of forests as “empty, wild, and available for elite manipulation...spaces of a nonsocial nature...where indigenous people are recognized within them, international discussion makes the people wild things too, assimilated to the wild emptiness of the forest.” (Tsing 2006: 202) But expectations of inherent, “natural” inclinations towards sustainability among indigenous communities, and presumptions of indigenous complicity in the conservation agenda leads to various complications and ironies that arise in the course of the implementation of the development agents' plans. For example, as Holt (2005: 201) writes about the kind of enforced “primitivism” resulting from conservation projects in a Huaorani community, “The cultural conditions deemed compatible with biodiversity conservation (i.e. Low densities, limited technology, and subsistence production) are precisely those under which a common property theoretical framework would not predict conservationists practices to emerge.” She points out that conservation awareness does not arise in an ecosystem that is artificially kept outside of the processes that lead to a recognition of the consequences of overexploitation—a pressure on resources concurrent with population growth, introduction of Western technologies, and market production.

Scale

Scale management is an issue in ecotourism. A study by Eugene Tomlinson and Donald Getz(1996) looks at the issue of scale in ecotourism development. They review a case of competing ecotourism startups, and present a case study from Guatemala that illustrates that while small ecotours may, in fact, be an alternative to mass tourism, the supervising organization (in this instance The Mundo Maya Organization), “established as an international, national and local institution to achieve sustainable tourism development,” appeared to favor the larger-scale operation, even though “small operations better met the established goals of sustainable development.” (Thomlinson and Getz 1996: 197). They argue that in a region with limited economic development potential, small-scale operations may not be as viable as their larger competitors.

Definitional Problems

Another issue in ecotourism is brought to mind by the World Ecotourism Summit in Quebec's list of recommendations issued to governments, NGOs, the private sector, and indigenous local communities (among others). The declaration encouraged national and local government forces to participate in extensive consultation and review process prior to setting local policies “with those who are likely to become involved in, affect, or be affected by ecotourism activities.” (Wood 2002) Such a formulation invokes, first and foremost, communities living on land that would host the visitors; it also encompasses tour operators and other cultural brokers outside these communities. In defining stakeholders so broadly, at best this formulation makes no distinction among the ways in which ecotourism activities can impact various factions, and at worst it tacitly sanctions the sorts of processes that turn non-for-profit ventures into for-profit exploitative situations. The declaration's suggestion “to include micro, small and medium-sized ecotourism companies, as well as community-based and NGO-based ecotourism operations in the overall promotional strategies and programmes carried out by the National Tourism Administration, both in the international and domestic markets” is as well-intentioned as it is not rooted in the complexities of actually establishing and running an ecotourism operation. For one, encouraging fair representation without mandating some kinds of quotas can lead (as the Thomlinson and

Getz example shows) the national responsible bodies to favoring larger groups, which can encourage medium-sized enterprises to expand. Additionally, it is often hard to determine whether an ecotourism enterprise is strictly community-based or NGO-run, or run for profit outside of the community. For example, in many locations in the Amazon, the local communities contract with multiple tour offices, which to some extent makes it community-run, but often does not in reality conform to the community-run model that strictly limits tourists to a decided-upon carrying capacity. Contracts with multiple agencies, who, in turn, contract multiple host communities, means a fluctuating and often unpredictable distribution of visitors over the course of the tourist season, which does not necessarily leave the host communities in a position to refuse visitors lest they jeopardize their business relationship with a particular tour office. The latter can just as easily start using a community down the river as their default place to bring tourists.

Greenwashing

One more frequently noted problem with ecotourism is the aforementioned practice of “greenwashing.” As Martha Honey (2003: 109), the director of International Ecotourism Society, writes “a lot is put under the big 'green' tent of ecotourism.” She talks about the three forms ecotourism takes: “greenwashing” or totally phony projects that don a “green marketing mantle but are bold-faced imposters that include none of the tenants of ecotourism...ecotourism “lite” that includes businesses that claim to be green by making minor, largely cosmetic changes....hotels [that] market themselves as green because they offer guests the choice not to change their sheets and towels each day” (*ibid*). A third form, according to her, is the one that the proponents of genuine ecotourism strive toward. It is based in a commitment to “ 1) preserve and tangibly benefit the environment, 2) respect and tangibly benefit local communities and 3) educate travelers to better understand the place and the people they are visiting” (*ibid*). (Of course, point three is contentious for reasons discussed elsewhere in this dissertation). There have been some attempts on both international and regional levels to standardize the so-called “good practices,” but the general consensus is, there is a tremendous amount of “greenwashing” in so-called ecotourism enterprises worldwide.

4. Situated Case Studies

The aforementioned benefits and problems are best understood in an ethnohistorical perspective. The following section will situate this discussion in the context of ecotourism in Ecuador. There, the industry of *ecoturismo* (a mix of ethnographic tourism and conventional ecotourism) arose in an economy shaped by oil interests, complicated changes in employer-worker relations, and environmental paradigm shifts that the oil industry had brought about in Ecuador since the mid-20th century.

4.1 Ecotourism in Context

In 1937, the Ecuadorian government granted Anglo-Saxon Petroleum (a subsidiary of Shell Oil) five-year exploration and 30-year exploitation rights in the Oriente region of Ecuador, including the Napo region. By the end of that decade, Shell had created the beginning of an infrastructure for oil production in the region, setting up camps, drilling wells, and building a landing strip near Rio Napo. Shell Oil's venture came to a relatively fruitless end, but in 1950s Texaco “re-discovered” oil in the Oriente. The true oil boom began in 1967, when CEPE (Petroecuador, formerly Ecuadorian State Petroleum Corporation) was created, the government assumed direct control over the Oriente oil resources, and thus had vested interest in the success of the petroenterprise.

By the year 2000 the 312-mile Trans-Ecuadorian Pipe Line pipeline carried 360,000 barrels per day and in 2001 46% of the government's total income was constituted by the oil export. Until the mid-1980s, the oil boom seemed to be in full effect across the strata. Ecuador's leaders saw oil as an opportunity to modernize, a means of accelerating development and escaping poverty, of garnering public support by keeping taxes low, of investing in state-owned development industries, of stimulating consumption and

encouraging economic growth. By the mid-1980s oil prices dropped, and they continued to drop into the 1990s, which had a negative impact on the development sector.

Throughout these years, the impact of oil exploration and exploitation on indigenous communities in the Oriente was constant and largely devastating. In response, indigenous activism organizations arose, with the most prominent one in the region being CONAIE—Confederación de Nacionalidades Indígenas del Ecuador (the Confederation of Indigenous Nationalities of Ecuador), a human rights and environmental advocacy group formed in 1986.

While the pressure from indigenous activist groups including CONFENIAE, the Confederation of Indigenous Nationalities of the Ecuadorian Amazon, formed in 1980 specifically in response to the exploitation of the indigenous land and natural resources by the mining, timber and oil companies, has borne both tactical and strategic fruit over the years, oil exploration and oil exploitation continued in the Oriente virtually unchecked. Due to Ecuador's dependency on foreign capital, there were virtually no environmental controls exerted, and no real effort—until recently—to hold foreign companies accountable for ecosystem damage. Furthermore, as the government actively encouraged oil exploration, vast areas of the Oriente were open to the petroleum industry under the constitutional provision that grants land title to the Indians that live on it, but states that all mineral rights belong to the state. Thus, oil companies were given a green light by the Ecuadorian government to build roads through the jungle, cut down trees in their path, and displace Indians who occupied the land that was going to be mined for oil. Despite conflicts with the Indians, who by this point were predisposed against the oil developers, exploration continued undeterred, and largely unchecked in terms of the impact it had on indigenous populations and the local ecosystem.

A large oil spill occurred in 1987 in what is largely Quichua territory. It wasn't the only one. By 1989 the pipeline had ruptured 27 times, spilling 17 million gallons of crude oil in the local water. The poisoning of the ecosystems had a dramatic impact on Indian communities. Other socioeconomic and ecological factors also contributed to the changes experienced by the indigenous people of Ecuador in the second part of the 20th century. Particularly after the 1960s, traditional agricultural and cultural practices, which involved clearing land for agricultural use, then letting the jungle reclaim that land, changed dramatically as the number of outsiders entering the area increased: among them missionaries, colonists, lumbermen, and oil workers. Cattle, fruit trees, and numerous new products and practices were introduced, all of which permanently diminished the amount of available land and transformed the traditional way of life. Oil exploitation accelerated and amplified these already in-progress processes, frequently dispensing with an area in the course of several years, and leaving behind poisoned ecosystems and former oil towns—communities that quickly “boomed” by providing services to the oil corporations, and faded when the corporations left—often with a school or a playground as their “payment” for contaminated groundwater and carcinogenic fish.

This is the context in which ecotourism arose in the lowlands of Ecuador: in communities that either lie in regions lately devastated and “spit out” by the oil industry, with local systems having been devastated by deforestation and run-of-the-mill pollution (in the best case scenario) and actual oil spills (in the worst case scenario); or in regions where oil developers or logging companies are offering incentives for five-year or ten-year uses of land, and ecotourism is a more sustainable way to provide sustenance for the community. Furthermore, aligning with environmental NGOs can be a good political strategy for indigenous actors fighting for environmental justice. I argue that in the context of resource exploitation resulting in environmental degradation, ecotourism can, in fact, be an empowering and positive alternative. However, the differences in organization and implementation of ecotourism projects, and decide whether ecotourism becomes a positive development for the local communities, or whether it disenfranchises them. I will illustrate this argument with several case studies.

4.2 Case Studies

RICANCIE

Because of the predominance of the foreign-owned ecotourism enterprises in the Napo region perceived by the locals as exploitative (i.e. quantitatively overwhelming, not concerned with or adhering to carrying capacity, “eco” in name only), throughout the 1980s the Napo Quichua have often seen tourism as a threat akin to oil companies (Wesche 1993). In the mid-nineties, as tourism became ubiquitous, communities began to negotiate their own terms, trying to transform this juggernaut of an industry into a less exploitative enterprise, and one that was to their benefit, as well.

Academic and institutional work on ecotourism in the Napo Quichua region tends to mention the example of RICANCIE—a collaborative ecotourism project involving several villages. RICANCIE is generally—and justifiably—touted as a success—and a quick overview of the inception of the project offers some answers as to why that is the case. David Schaller, an anthropologist who wrote extensively about RICANCIE described the Quichua Village called Capirona—the founding member of RICANCIE—as being the first village in the region that entertained the idea of community-based ecotourism in 1989. The project was funded by two NGOs: FOIN (Federacion de Organizaciones Indigenas del Napo) and Jatun Sacha, the biological station/rainforest reserve, and the community built a small infrastructure of tourist cabins to accommodate visitors. All the profits were invested in a community fund, and spending was decided upon in a collective process. Schaller wrote that “the project was considered a success by tourists, foreign researchers and the people of the community. Capirona encouraged other Quichua communities in the area to develop ecotourism projects of their own, both to take advantage of this new economic opportunity and to divert some tourist traffic from itself.” In 1994 FOIN founded RICANCIE (Red Indígena de Comunidades del Alto Napo para la Convivencia Intercultural y el Ecoturismo), which today is comprised of ten Quichua communities that offer ecotourism in the Upper Napo area (twenty communities had joined originally, but not all of them had built an infrastructure for receiving tourists). Capirona, the pioneer community, is still active in RICANCIE, and still receives tourists. Other communities include Chuva Urcu, which markets itself as the most “pristine” of the consort, and whose residents live in the nearby town of Tena, after it has elected to use their protected reserves exclusively for ecotourism, Cuya Loma, which specializes in music and dance performances for tourists, Machacuyacu, which allows tourists to try their hand at indigenous cuisine and agriculture, Rio Blanco, a community deep in the forest, which targets visitors interested in shamanic/*ayahuasca* tourism, etcetera.

This brief history points to a number of factors that contributed to the project being a success. These factors are:

- 1) The local nature of supporting NGOs, as well as their involvement with and commitment to indigenous activism.
- 2) Subsequent NGO status of the community alliance itself
- 3) Self-determination by the communities
- 4) The ability by the communities to, essentially, “specialize” and thus avoid the pitfall of many villages which become involved with ecotourism, and find that the enterprise overwhelms all aspects of their lifestyle. RICANCIE’s solution promotes microregional cooperation over competition (as communities share profits from the tourists, the villages don’t feel compelled to compete with each other for the general pool of tourists, but, rather, develop a niche—be it forest hikes, arts and crafts, or shamanic tourism—which is most compatible with their community needs and preferences).

Cotococha

Over several months of ethnographic interviews of Cotococha, I came to the conclusion that it is a community that is generally very positive about ecotourism, while being a good example of some issues and tensions that go underreported in the institutional discussions of ecotourism. I will use Cotococha to give a few examples from my own fieldwork of the gaps between assessment of the impacts of ecotourism that I heard in interviews with NGO affiliates, and read in NG literature and the data gathered during interviews with community

members and collected during my own observations living in these communities. The three examples I will focus on all involve tensions produced by ecotourism, that usually go undocumented in institutional assessments.

Tension due to competition

NGO members and community liaisons themselves have told me that ecotourism promotes social cohesion in the communities, which is true—but even as communities are able to stay and work together, and become unified around the idea of creating an ecotourism project, rivalry and competitions arise between the communities, for both practical and ideological reasons, unless communities formally cooperate and share profits, which is not a common model, despite being a successful strategy for RICANCIE. It is more common for communities that participate in ecotourism to compete with each other, because generally communities in a specific region all have contracts with the same travel agencies, and thus their visitors come from the same pool. Sometimes competition extends beyond the immediate region. Over the course of my fieldwork in Cotococha, the village residents involved with tourism were in the process of trying to patent their village name, so that they could create branded products to sell to the tourists, but more importantly because they were very concerned about another village of the same name, which had built a website to attract tourists.

Tension due to Cultural Perceptions of Tourism

Another, more culturally based tension has to do with the fact that tourism is associated with being modern, so communities frequently look down at other communities that don't participate in tourism as being backwards. Several of my informants, when asked about neighbouring communities that chose to not work with tourists bluntly attributed that choice to ignorance. At the same time, several of the community leaders I talked to associated the advent of tourism with their own departure from such an "ignorant" state. So in a sense, participation in tourism has become a marker of cultural capital in the Amazon, promoting intercommunity stratification and sometimes mistrust between communities, even while achieving intracommunity cohesion.

Tensions Around Shamanic Practices

My interviews with development workers and affiliates in the area revealed a respectful reverence for the Quichua shamanic tradition, and a sense that tourist interest in shamanism was a positive development for the Quichua as it revived an important cultural tradition that had deteriorated somewhat since many communities converted to Christianity. In a sense, there is a perception from the development sector that the tourists' interest in learning about shamanism helps the Quichua agenda of cultural survival. But from an ethnographic point of view the influx of tourism had a dramatic effect on the Quichua practice of shamanism. Traditionally, being a shaman brought one status and prestige in Quichua villages. It was a vocation that required years of training that had to start before puberty, often at an age as early as five years old. Shamanism was completely integrated with the social life of the community. Shamanic rituals were about much more than telling the future and healing the sick—they were about reaffirming the sense of community and belonging among the Quichua.

Now shamanic rituals are no longer special community events held during designated times. During high tourist season they are performed sometimes daily, and, essentially, they are for sale—anyone who is willing to pay for them has access to them. As a result of the tourist demand for shamanism, there has emerged a new generation of shamans, who have learned how to perform the rituals, and have access to the hallucinogenic plants required for divination, but lack the background and cultural capital that traditionally made one a shaman. As tourism privileges the performative sides of shamanism over its esoteric spiritual traditions, tensions arise around the practitioners' legitimacy in the eyes of other

community members. The older, traditionally trained shamans question the legitimacy and the ethics of the newer entrepreneurial shamans who primarily work with tourists. Shamanism, which has traditionally been such an important part of Quichua culture because of the role of a shaman in unifying the community, has become a site of conflict and frequently bitterness. This issue isn't reflected in development discourse that endorses tourist interest in shamanism as exemplary of multiculturalism and a way to breathe new life into a cultural tradition.

Bellavista

The final case study I want to include is a particularly relevant example of the euphemisms and misunderstandings that are encoded in development literature that is designed to assess the impact ecotourism has on local communities, but frequently neglects to truly engage with local concerns about alienation and disenfranchisement. One of the ecotourism projects I visited during my field research, Bellavista, was regarded as a negative development by the outlying communities—not surprisingly, the project wasn't community-based. The tensions around this project, located in the Bellavista Cloud Forest were documented in publication put out by the World Tourism Organization, entitled "Sustainable Development of Ecotourism - A Compilation of Good Practices in SMEs" (small ecotourism businesses) (World Tourism Organization: 2001). This publication was an attempt to create some kind of standard, based-in-case study comparative publication, evaluating various ecotourism enterprises around the world, and included profiles and assessments of ecotourism projects in Argentina, Israel, Madagascar, Ghana, and Ecuador, among others.

Bellavista is a private reserve which combines environmental conservation and education with traditional ecotourism, which does *not* include ethnographic tourism. The initiative for creating the project did not come from the indigenous peoples but rather from foreign investors, funded by private contributors. The local Quichua community named Nanegalito occasionally gets low-paying jobs through the project, including transport activities, and service in the colonial-looking luxurious dome that serves as a hotel where visitors who want to stay overnight find food and lodging, but there has been no job creation for other communities in the vicinity. Quichua neighbors have had issues with the project; the report paraphrases these disagreements in recording that "the results of the educational effort undertaken in environmental conservation with the neighboring communities are expected to be forthcoming in the long-term, mainly because of the existence of different viewpoints due to the different cultures involved" in its "problems and their solutions" section, adding that "the neighbors need time to grasp the goals of a project of this kind" in the "lessons learned section." This phrasing conceals what I heard from several local tour guides, who organize tours to Bellavista: the project is very contained and localized, and while it provides jobs only for the Quichua who live in the immediate vicinity, the protected status of the larger land on which it is positioned prevents clearing land for agriculture. In other words, Bellavista takes away (non-conservation) agricultural opportunities for the neighboring populations without offering much in return. Their concern is forest conservation which they see as the good in and of itself; the locals haven't internalized the conservation discourse enough for it to be sufficient for them, especially in an area where economic opportunities are so limited. The euphemistic phrasing in the publication suggests that more education and time is required, rather than giving voice to and addressing indigenous concerns about exploitation and disenfranchisement.

5. Discussion and Conclusion

Evidence shows that ecotourism can empower local indigenous communities, provide an alternative to undesirable or environmentally destructive forms of development, and can

help achieve ecoconservation goals. On the other hand, problems with design and implementation may result in communities being conscripted into ecotourism “for their own good” but without adequate compensation, while the well-meaning development actors often lack the culturally relevant knowledge necessary to be sensitive to the local indigenous issues. In terms of policy recommendations, the case study of the Napo Quichua in Ecuador suggests that the negative outcomes of ecotourism can be minimized by ensuring true local representation and participation in the projects and involvement of local organization sensitive to indigenous issues of cultural survival and economic justice at all stages of the projects. Inclusion of or consultations with local NGOs which are not exclusively focused on ecoconservation, but, rather, are involved in political advocacy work on behalf of the indigenous population on the regional and national levels, would be useful. Perhaps most importantly, ecoconservation should not be the exclusive focus of ecotourism projects, especially when it actively interferes with preexisting forms of subsistence employed by communities affected by ecotourism. Economic well-being and cultural survival of local communities can and ought to be integrated with the goals of ecosystem conservation. Finally, an ethnographic dimension currently lacking in many ecotourism project assessments can help to identify subtle issues and problems that may have great relevance for the involved or affected communities.

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Adapting tourism for a lower carbon future: a slow travel approach

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Abstract

One future holiday travel scenario is that of 'slow travel' where air and car travel are rejected in favour of forms of transport with lower greenhouse gas emissions. This paper explores how contemporary European tourism travel practices might be adapted to alternative ways of conceptualising holidays using slow travel. The research used in-depth interviews to analyse holiday travel discourse and travel identity. When people talk about their holiday travel they employ a variety of credibility enhancing moves such as criticising other modes and constructing their own transport positively. While of interest to participants, slow travel would not be readily accepted as a substitute to air or car travel in many contexts. A rethink of holiday practices and the way tourism interfaces with transport is needed. This requires industry engagement, and key messages about slow travel, to be useful, need to be influential early in the holiday decision making process.

Keywords: slow travel; discourse; climate change

1. Introduction

Estimates vary with respect to the current contribution of tourism to climate change (around 5% of global CO₂ emissions (UNWTO 2007)) however, with predicted growth in aviation its contribution is likely to grow substantially by 2050 (Dubois and Ceron 2006a). This is contrary to EU greenhouse gas (GHG) emission reduction targets. One reason for taking an interest in the travel element of tourism is therefore its contribution of up to 90% of tourism's climate change impact (Becken and Hay 2007; Shaw & Thomas, 2006) depending on the distance travelled and the mode of transport. While recent studies have quantified tourism transport impacts (Dubois and Ceron 2006a; Peeters et al. 2007) and some attitudinal research has been undertaken, this largely highlights the scale of the problem and the gap between environmental concern and appropriate holiday travel behaviour (Anable et al. 2006; Becken 2007). Accordingly, there is a need to analyse the adaptation of holiday travel practices for a lower carbon future, and the social assumptions that underlie the holiday travel decision making process.

Slow travel presents an alternative to air travel with lower GHG emissions. Slow travel also refocuses attention on the travel experience which becomes a much more integral element of the holiday. This paper reports part of a wider project to understand how holiday travel practices are influenced by social norms, experiences and expectations of travel in order to analyse the potential for less energy intensive holidays in the context of climate change.

There are two aims: to explore and define the concept of slow travel; and to identify the travel discourses employed by mainstream and slow travellers, analyse how these discourses are used, and explore how the discourses enable or constrain holiday travel choices. By focusing on the argumentative strategies used by individuals to justify their holiday travel choices, the study sheds light on collectively embraced reasoning that can maintain unsustainable practices, and hopes to reveal opportunities to direct tourists to more sustainable travel practices.

2. What is slow travel?

The origin of the term 'slow travel' is unclear. It has featured in the media, especially the Guardian and Observer newspapers in the UK, over the last two years as an alternative to air travel. There is also a slow travel movement (slowtravel.com 2007) which, while encouraging people to travel overland, focuses on holidaying in one place, with limited local travel and longer stays. In Australia the term has appeared in the Macquarie Dictionary defined as '1. travel conducted at a slow pace to enjoy more fully the places visited and the people met. 2. such travel seen as environmentally friendly through its lack of reliance on air transport [modelled on slow food]' (Tourism Victoria 2008). Slow travel is therefore nothing new, it in essence pre-dates air and car travel and is now a matter of choice for some people. In the academic literature Matos-Wasem (cited in Ceron and Dubois 2007) refers to slow travel (*le tourisme lent*). Dubois and Ceron (2006b) have also used the term 'slow tourism' for rail transport and 'soft mobility' for biking and walking. Thus there is an emerging recognition of 'slow travel' as a concept. The following working definition was developed for the purposes of this study:

Holiday travel involving shorter trips (distance) and, where possible, longer stays (time) where air transport is rejected in favour of more environmentally benign forms of overland transport which become incorporated as part of the holiday experience.

Whether slow travel results in lower carbon emissions depends on a four factors.

i) Modal choice. There is clearly a modal continuum from carbon neutral modes such as walking and cycling to carbon intensive modes such as private car and flying, although as Peeters (2007 p15) points out 'reliable emission factors for different modes of transport are not easily found'. There will also be much local and individual variation in emissions dependent upon, among other things, operating conditions, levels of congestion, age, capacity and engine size of vehicles used and load factor, the last being most apparent when measuring emissions per passenger kilometre.

ii) Distance travelled. The spatial aspects of travel are also important from an environmental perspective. If someone travels a long distance, by any motorised form of transport, there will be significant GHG emissions.

iii) Length of stay. If you travel a long way, but stay for a long time period, the carbon footprint is reduced on a pro-rata per day basis. Furthermore, if fewer but longer holidays are undertaken each year by travellers the annual carbon footprint is also much reduced. However, this analysis excludes the potential for tourists to engage in carbon intensive activities at the destination which might shift the relative impact of the travel element.

iv) Whether slow travel is a substitute for less environmentally sensitive travel on holiday or whether the slow travel is additional generated travel.

In a more extended analysis the economic and experiential potential of slow travel might also be considered but this is beyond the scope of this paper.

The following are some indicative examples of slow travel:

- Travel by rail or coach to destinations typically accessed by air, for example, UK to the Alps or Mediterranean
- Touring regions by coach, bus or train
- Overland travel mixing a variety of modes of transport
- Cycle touring
- Long distance walking tours

More ambiguous and debatable examples include:

- Extended car touring trips, for example, taking a week to reach the Dordogne, France from the UK
- Air travel to reach regions where stay is extended and tourists then use local transport
- Boat travel where emissions from shipping have been significantly under estimated. A leaked UN report suggest it generates three times more emissions than previously thought and accounts for around 4.5% of emissions globally (Vidal 2008). High speed vessels such as hydrofoils, have particularly high emissions.

3. Method

The study adopted a broadly social constructionist approach because it was essential to unravel the often complex, individual and contradictory experiences of travel. A social constructionist approach is critical of taken-for-granted knowledge and assumptions that categories, as typically used in survey based research, reflect reality (Jørgensen and Phillips 2002). The majority of studies analysing travel behaviour are rooted in the cognitive tradition and base their analysis framework on the model of planned behaviour developed by Ajzen and Fishbein (1980). This has facilitated a number of insights into the understanding of mobility choices in relation to environmental values. However, as Ajzen and Fishbein's model suggests, the path between attitudes and behaviour is indirect and muddled and behaviour is only partly influenced by attitudes and is also influenced by judgements of the normative desirability of actions and other variables. Knowledge of the

world is created through social interaction and particular ways of knowing have consequences for different social actions (Jørgensen and Phillips 2002). Hence, there is much potential for people to reconstruct travel experiences in their explanations to justify particular decisions and behaviour. The study employed a discourse perspective as there is considerable scope to analyse how travel discourses are used (see for example, Becken 2007; Gössling and Peeters 2007; Guiver 2007). A discourse is the collected language used to characterize and evaluate actions and events in a particular context (Potter and Wetherell 1987). The study was interested in how particular travel discourses both enable and constrain expressions of ideas about holiday travel and the travel choices seen to be available. This study therefore focuses on the language used to evaluate travel choices in a holiday context and the action orientation of talk. Thus, this study draws on a form of analysis hitherto little utilised in the transport field that has the potential to yield new insights.

Data were collected using two phases of in-depth interviews conducted before and after an international holiday taken from the Bournemouth area of the UK. In total 16 participants (including some pairs of participants) were recruited, 11 of which are considered here (Table 1). Following the first interview, potential for alternative travel options was compiled and an estimate made of the relative carbon footprint of options. The second interview focused on the actual travel experience and adopted a more challenging approach in relation to climate change based on the potential for use of alternative modes of transport. Participants were recruited through local advertising and a snowballing approach. Interviews were recorded and then transcribed. Following a period of immersion in the data, codes, based on the researcher's interest and derived from the data, were used to provide a guide for analysis (Hayes 2000). Analysis then focused on each coded chunk of discourse and what participants were trying to achieve in their explanations of modal choice and reflections on climate change. This is a UK perspective and it is important to recognise that the discursive strategies identified might not be reflected in other European countries.

Table 1 Participant information

Participant (names are pseudonyms)	Destination(s)	Transport Modes (mode in bold is mode used)	Estimated Kg of CO ₂ per person*
CYCLISTS			
Paul	Normandy, France	Cycling and ferry	23
		Other options: Car and ferry	39
Louise and Mark	Brittany, France	Cycle, Train and ferry	37
		Other options: Car and ferry	46
		Flight	198
TRAIN TRAVELLERS			
Kate	Nice, France	Train	110
		Other options: Car and ferry	173
		Flight	290
Ellen and Alan	Lake Garda, Italy	Train	117
		Other options: Car, ferry	185
		Flight	294
MIXED SLOW AND OTHER MODES			
Nick and Chloe	Dijon, France	Car + cycle at destination	79
		Other options: Flight	154
		Train	62
CAR TRAVELLERS			
Clive	Paris, Bordeaux, Alps, France	Car and ferry	130
		Other options: Train	101
Toby	Tour of 8 European countries	Car/Van	800

		Other options: Train	308
AIR TRAVELLERS			
Mike	Amsterdam,	Flight	173
	Netherlands	Other options: Car and Ferry	75
		Train	74
David	Heilbronn, Germany	Flight	231
		Other options: Car and ferry	182
		Train	81
Ruth	Genoa, Italy	Flight	301
		Other options: Train	128
Jane	Sicily	Flight	502
		Other options: Train	188

*based on an average from various sources (Peeters et al. 2007; National Express 2008; Eurostar 2008; Can Europe 2008) and vehicle loadings stated by participants.

4. Findings

The findings presented here are preliminary.

Slow travel was interpreted as an environmental movement, a modal choice, and also as a particular kind of travel experience. The environmental implications of travel were only at the forefront for three participants ('hard slow travellers'). Many participants who travel slowly had not rejected air travel and continue to fly for other holidays with only some showing some commitment to reduce air travel ('soft slow travellers'). People therefore choose slow travel experiences for a variety of reasons often unrelated to the climate change issues investigated here. This is, however, an interesting dimension, what is it that makes slow travel a positive option and how might this knowledge be used to encourage travellers from air or car to forms of slow travel?

The analysis presented here focuses on the insights three key discourses might offer for developing slow travel:

- Engagement with people and place
- Infrastructure issues
- Problems with various modes (including the mode used)

Engagement with people and place

Engagement with people and place was a common discourse used across all modes of transport, however, most extensively by cyclists.

Extract 1

Paul: when you are in a car you don't see the same things as when you are on a bike, you see lots of things, meet people and talk to people. Went through one village and there was a play going on so we stopped there for the afternoon and enjoyed it, had an excellent afternoon there. If we were in the car would have missed it.

And later in the interview:

Paul: I remember in Caen we rode out 30 miles to these caves which was an old slate mining caves, which was excellent, but it nearly killed us getting there. There was this 5 mile continuous hill in the last 5 miles, it was very hot and it nearly killed us getting there, but it was well worth it when we got there and the journey back was quite good because it was down hill. I suppose that was the most memorable, I nearly killed myself.

Here Paul makes detailed reference to the distance covered, the topography, weather conditions, physical exhaustion and his sense of achievement. His discourse expresses an intimate relationship with the place and in common with other cyclists he recalls many details. There is nothing extraordinary here but the discourse conveys a strong sense of

engagement. This reflects Cloke and Perkins (1998) discussion of embodied tourism practice where they describe the desire for mastery and to be more than spectators.

Louise and Mark also talk extensively about people and place and reflect on their different level of engagement with France compared to a car driving couple.

Extract 2

Louise: On a bicycle you physically take a different route to a car, you're heading down smaller roads. We met a Swiss couple who had driven to the B&B that we arrived at. They were saying they had driven from Switzerland and said how good the roads were, I was thinking oh, were they? Because they had just gone down these sort of motorways and we'd aimed not to go down the motorways, going down these little roads. Sometimes there were these nutty drivers but French drivers are quite considerate to cyclists. They obviously had a different view of France to the one we had. Motorways are a bit faceless, you could be anywhere but when you are on a country lane in France you know you are in France whereas a motorway looks like anywhere.

Here Louise implies a superiority in the way they have engaged with travelling and again a sense of mastery is present. This also links to a positive presentation of French motorists in relation to cyclists.

Infrastructure issues

A key rhetorical strategy often used by cyclists is to praise cycle infrastructure in other European countries and criticise UK infrastructure. For example, 'France is cyclist friendly which this country isn't... cycling facilities are better, lot more cycle tracks, drivers are more considerate, more enjoyable to cycle in France, don't get so much traffic' (Paul).

Train travellers also employed a negative discourse in respect to the UK rail network. Ellen and Alan illustrate this issue.

Extract 3

Alan: we won't use South West Trains [the regional rail operator] to get to Waterloo, not Waterloo anymore, because in the past we've used the British network to try to get to London, they are so unreliable you can't use them so we get an airport car to take us up.

Ellen: it was so stressful, this was with the Disneyland with the girls.

Alan: it was going up and coming back they cocked it up both times.

While Ellen and Alan are committed to train travel in other European countries their view of UK trains is poor. There is a British discourse about the poor train system and elsewhere in

the interview Ellen and Alan are, in comparison, very positive about Swiss trains. Thus, while they are committed train travellers they find the day of departure stressful, they have booked an expensive holiday, they do not want to miss and use this well rehearsed discourse about trains as an excuse to ease the stress and justify use of an airport car. This is a credibility enhancing move on their part to justify the rather obtuse decision to use an airport car to access a train holiday.

Kate's explanation of booking a train to Nice illustrates a further negative discourse about train travel.

Extract 4

Kate: I booked through the internet although it was not very straightforward. I can understand why people say I'll fly. The Rail Europe website did not work. In the end I looked at the TGV site and the Eurostar site. I booked through Eurostar which I found very helpful. I phoned them back just to check we were seated together as there were no seating arrangements on the booking form. Compared to booking flights I found it much less straight forward. I wanted to separate the first leg from London to Paris, wanted then to give myself more time in Paris, but the only way to do it was to change the whole package rather than the second leg.

While Kate was ultimately able to organise and book the train journey she required she emphasises the difficulties she encountered, 'it was not very straightforward', and compares it negatively to flying. Kate also notes that it was difficult to organise more time in Paris, staying longer being a slow travel consideration. Kate shows perseverance to overcome problems (using alternative web sites and phoning back to check). In terms of self-presentation, this can be seen as a credibility enhancing move whereby Kate shows she had the necessary skills to overcome problems but indicates that others might not. She readily acknowledges the problem and this is a form of stake inoculation. Stake inoculation is a discursive strategy to pre-empt criticisms, here of choosing to travel by train.

In one form or another infrastructure issues were raised by all participants. There are clearly some frustrations for all travellers with aspects of their travel arrangements from on-line booking to checking luggage at the airport and there are a number of well rehearsed discourses which people tap into when explaining these issues.

Problems with specific modes

All participants cited various problems with modes of transport they were not using and equally, with the exception of cyclists, many were critical of aspects of their chosen mode. The tendency to criticise the alternatives is a rhetorical strategy to justify modal choice. The slow travellers made reference to problems with car travel and air travel, the latter being the dominant form of international travel from the UK accounting for 81% of trips in 2006 (Department for Transport 2007). Thus, the critique of air travel might be a way to normalise an alternative form of travel that might not be associated with a holiday in some

quarters, and a way to defend self-concept (Arnould et al. 2004) and positively present the self.

For the development of slow travel, it is interesting to examine the criticisms made by air travellers of their own mode of transport, flying. Participants drew on familiar discourses which have emerged in recent years relating to check in and security issues (post 9/11) and increased discomfort during flights. 6's description of the check in for a Ryan Air flight illustrates the negative discourse.

Extract 5

Jane: from the moment we got to the airport it was a bit of a nightmare because you are only allowed to take 15kg of baggage each and mine was about 15 ½... There are so many charges they put on as extra. They were quite rude about it as well. The check-in staff were not budging basically, anything over 15kg you are paying the price or you are moving it to a different bag. There weren't kind or happy, smiley people.

Jane remains positive about flying despite making reference to other elements of discomfort. She sees it as necessary to reach her desired destinations. Her openness about the problems is again a form of stake inoculation. David tells a slightly different story.

Extract 6

David: I don't enjoy the discomfort both in the preparation and during the flight. I'm not in a position to travel business class, if you travel economy you're pretty cramped, you can't enjoy the meal or any other aspect of the journey as far as I'm concerned.

David focuses on comfort and is quite unhappy about flying. This explanation arises following a question about climate change and can be interpreted as a defence mechanism. He goes on to justify his continued flying as follows:

Extract 7

David: It will always be a bit of a dilemma for me the fact that it might take 2 or 3 days one means of transport as opposed to 7 or 8 hours in another form and so I think that will be for a practical point of view. From a philosophical point of view I can see that's a pretty selfish approach but I don't see how you can overcome it.

Here David is demonstrating that he has considered the issue ('it will always be a bit of a dilemma') but being practical, a flight is the best alternative. David feels a certain level of discomfort when he reflects on the impact of his flights and uses a series of credibility enhancing moves to justify his behaviour.

5. Conclusion

While this is an initial and only partial analysis, a number of conclusions can be drawn. First slow travel is far from a clear concept and has been interpreted in a variety of different ways. It is not necessarily interpreted as an environmentally benign form of holiday travel although this is an added bonus. While this is not a problem for the concept to provide a useful, alternative way of thinking about holidays, there are interpretations that are less than optimal for reducing the climate change impact of tourism.

A variety of discursive strategies are used to set out participant's stake and interest and it is apparent that even while people relate some quite negative experiences they are able to articulate their behaviour as a logical decision. Ultimately it is important for people to give a positive self presentation and this is widely recognised as a discursive strategy. When people talk about their holiday travel they employ a variety of credibility enhancing moves such as criticising other modes and constructing their own recollections positively. This includes stake inoculation, a defence strategy where people acknowledge expected criticisms before they can be made by others. So how might a discourse analysis approach help develop more sustainable holidays? First, a discourse strategy reveals the dilemmas and contradictions felt by holiday travellers. The relationship between attitudes and behaviour is far from simplistic and people will argue their position to maintain a credible self image even when conflicts are apparent. Following this, one strategy is to undermine discourses that maintain unsustainable practice, such as the coherence of the argument for flying, and develop strong slow travel discourses.

The negative discourses about flying, while pervasive, are not, as yet, persuasive enough to make participants consider alternatives. Participants readily rationalised negative experiences post-hoc by reference to time and other considerations. It was apparent that participants thought in terms of substituting travel mode rather than substituting a holiday with one closer to home and this is a critical problem as alternative modes may not be viable. For these negative discourses about flying to play a role in travel decisions the message needs to be influential early in the holiday planning prior to a destination choice being made. Other studies have shown that while improvements to alternative modes of transport, more suited to a lower carbon future, are socially desirable and do lead to some modal shift (Guiver et al. 2007) there is significant inertia. To overcome this inertia requires more than strong negative discourses but a rethink of holiday practices and the way tourism interfaces with transport. There are positive discourses about slow travel. While there was only limited scope here to explore one of these, the special discourse cyclists embrace about place and people, there is potential to develop new stories about holiday travel which guide people to more sustainable practices. However, new slow travel discourses have hidden implications and this might just promote more travel, albeit with lower carbon impacts, but more travel is not a positive outcome in itself. The richness of slow traveller's descriptions, while positive, require engagement with an entirely different set of travel structures and this leads to a practical obstacle.

The negative travel discourses about trains help maintain the existing structures in society. By arguing the train network is poor, or the booking system complicated, this reinforces the

failure of trains, constrains use and bolsters use of air and car travel. People draw on the discursive strategies available whether they have direct experience of transport modes or not. This can inadvertently perpetuate unsustainable practices. While this would not be the first study to propose this, it is recommended that concerted action is needed by both the rail industry and national governments in relation to infrastructure.

This study was supported by a grant from the Royal Geographical Society (with the Institute of British Geographers).

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Voluntary carbon offsets a solution for reducing tourism emissions? Assessment of communication aspects and mitigation potential

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Abstract:

Contrary to most sectors, the tourism and aviation industries have not managed to achieve significant greenhouse gas emissions reductions over the last years. Moreover, effective mitigation through technological innovation or structural and behavioural change cannot be expected shortly. Airlines and tourism companies appear to use carbon offsetting as a last resort. However, offsetting is generally acknowledged as a second-best solution for mitigating emissions, after reducing energy use. This paper seeks to determine the mitigation potential of voluntary carbon offsetting by comparing public and industry awareness of climate change and aviation emissions and attitudes to various mitigation measures with relevant online communication by offset providers. Methods were an evidence based literature review and online content analyses. Overall, the gaps that were identified between awareness, attitude and actual behaviour are not filled by provider communication. From this perspective, the mitigation potential of voluntary carbon offsetting for achieving reductions of tourism transport emissions is estimated as low. The same conclusion is reached by comparing CO₂ volumes of travel offset sales with actual travel emissions.

Keywords: carbon offset, tourism emissions, aviation, mitigation, online communication, environmental behaviour

1. Tourism and aviation emissions

The tourism sector has arrived at a point where the impacts from climate change on the environmental assets of tourism itself cannot be ignored. Consequently, industry stakeholders have finally acknowledged the need for mitigating tourism impacts on climate change (see UNWTO/UNEP/WMO 2007, WTTC 2009). The tourism impact from energy use is one of the most pressing issues regarding the future sustainability of tourism (Gössling et al. 2008). In 2005 total carbon dioxide (CO₂) emissions from worldwide international and domestic tourism were estimated at 1,302 Mt, representing 4.9% of all global emissions. 75% of these are transport related, of which 52% are caused by air travel; percentages that would increase if radiative forcing would be accounted for (UNWTO/UNEP/WMO 2008). As the level of scientific understanding on the radiative forcing of some effects of air transport is still rather low (IPCC 1999, Kahn Ribeiro et al. 2007, Sausen et al. 2005), aviation representatives limit the global contribution of their sector to 2% only (Gössling et al. 2007b, IATA 2006). But even this figure is significant when related to the small share (2-3%) of the world population that uses international aviation on an annual basis (Peeters et al. 2006).

Despite increasing political pressure and bad press, the tourism and aviation sectors have not achieved significant reductions of their greenhouse gas (GHG) emissions over the last years. On the contrary, their emissions are still growing dramatically, while those of most other sectors have been levelling off or reduced. Growth figures for international passenger air traffic (7% in 2007) confirm this development (IATA 2008a). Aviation emissions are likely

to grow steadily over the next decades (Bows et al. 2005, Evers et al. 2004, Kahn Ribeiro et al. 2007, Macintosh et al. 2009) and tourism emissions, under a business-as-usual scenario, are estimated to grow by 161% until 2035. The share of aviation in tourism emissions is expected to increase from 40% in 2005 to 52% in 2035 (UNWTO/UNEP/WMO 2008). These growth scenarios clearly interfere with global emissions reduction efforts of up to 80% by 2050 (COM 2007, IPCC 2007b, Parry et al. 2008). In relation to emissions contraction profiles, aviation could represent a very large proportion of national carbon budgets by mid century, especially when considering a 450ppmv CO₂ concentration limit (Bows et al. 2007, Bows et al. 2005). The 2008/2009 recession will merely delay further growth, as past downturns have always seen air traffic recovering fast (IATA 2008c, Lee 2009).

Aviation representatives believe technological improvements, along with improved operations and infrastructure, are the key to curb the sector's emissions (IATA 2008b). However, most of these measures take a long time to be introduced. Realistically, they can only compensate for a small share of the increase (Bows et al. 2005, Evers et al. 2004, Kahn Ribeiro et al. 2007, Peeters 2007). In contrast to other sectors, aviation does not have any short- or medium-term alternatives to kerosene or fuel efficiency improvement (Bows et al. 2007). As the International Air Transport Association acknowledges "complete solutions do not exist today" (IATA 2008a: 32).

Consequently, global policy interventions and structural changes are needed, but these have long adoption processes. Some recent measures, like the Open Skies agreement and the UK aviation tax, may even lead to a (slight) rise in emissions (Mayor et al. 2007, Mayor et al. 2008). The inclusion of aviation in the EU Emissions Trading Scheme (ETS) starting 2012 (cf. EC 2009), is not expected to lead to significant emissions reductions (FitzGerald et al. 2007, Heffernan 2008). Much rather, it may lead to problems for other industries due to rising EU Allowance prices (Bows et al. 2007, House of Lords EU Committee 2006). Also, non-carbon emissions are not accounted for.

It appears very unlikely that aviation emissions can be stabilised at a level consistent with international emissions reduction targets without restricting demand, i.e. reducing air traffic volumes (Macintosh et al. 2009, Peeters 2007). Frequent flying has become the norm among certain population groups. Thus, a change in transport and tourism behaviour, i.e. a modal shift away from aviation, is needed most. The longer action is postponed, the higher 'air dependence' will become and the more difficult it will be to induce people to less frequent use of air travel (Cairns et al. 2006). Consumers need clear, consistent and reliable information about the impact of tourism on climate change and positive messages about what mitigating action they can take themselves (Burns et al. 2007). Measures like including aviation in the ETS do not induce consumers to a behavioural change (Gössling 2007). Tour operators and destinations have several low-carbon tourism options and sustainable transportation guidelines at their disposal (Peeters et al. 2009, Strasdas 2009), but a voluntary reduction of air traffic cannot be expected from aviation representatives for economic reasons.

In the short-term and for those that have to fly, voluntary carbon offsetting can be one way of mitigating the impact from aviation on climate change (Gössling et al. 2007a). The fact that aviation emissions were hardly covered by policy instruments until recently, made them very suitable for carbon offsetting (cf. Sterk et al. 2004). Over the last few years, the market in voluntary carbon offsets has experienced rapid growth, with ample participation by airlines (Gössling et al. 2007a, Hamilton et al. 2008, IATA 2008a), yet offsetting is still heavily debated and several issues have hardly been researched. One of these issues is provider communication on climate change and its causes and impacts.

This paper aims to contribute to the discussion on ways to mitigate tourism's aviation emissions, by analysing the voluntary carbon offset market. The objective is to stress that offsets can only serve as a short-term, second-best solution with limited mitigation potential. The market is therefore assessed from a communication perspective. The paper is structured as follows. Section 2 provides an overview of the voluntary carbon offset market, including a brief look at providers, issues and transaction volumes. In section 3 the

communicative aspects of offset schemes catering to air travellers are assessed and compared to public and industry awareness on climate change, air travel impacts and offsetting. The outcomes are discussed in section 4. The paper is partly based on a master thesis conducted in 2007 (Eijgelaar 2007), updated with more recent findings.

2. The voluntary carbon offset market

2.1 Introduction

The newly formed UK Department of Energy and Climate Change (DECC) describes carbon offsetting as the compensation of “unavoidable emissions by paying someone to make an equivalent greenhouse gas saving” (DECC 2009: 1). Note that the consumer, whether individual or business, decides on what is ‘unavoidable’. Carbon offsets are defined as “the use of carbon credits to balance the total emissions that result from a defined activity measured in carbon dioxide equivalent (CO₂e)” (DECC 2009: 3). Activities range from household energy use and air travel to sport events and business operations. Carbon credits are generated via projects that reduce or absorb emissions. Credits are sold by offset providers.

The voluntary carbon offset market tries to fill the gap left by ineffective government action and the fact that climate policy does not sufficiently address private individuals and (smaller) businesses (Boon et al. 2007, Capoor et al. 2007, Sterk et al. 2004). It operates in the shadow of a much larger regular carbon market. In the latter, a regulatory authority caps the amount of CO₂e of a company and issues allowances. If these are exceeded a company can buy carbon credits generated by offset projects through the Kyoto Protocol initiatives Clean Development Mechanism (CDM) and Joint Implementation (JI). Voluntary carbon offset providers sell credits to anyone or any organisation not having to comply with regulatory caps and can work within or outside the CDM and JI schemes (Braun et al. 2004, Kollmuss et al. 2007). They are increasingly operating outside Kyoto and have developed own standards, which make them harder to check for quality. The offsets created here are (or should be) verified by an independent third party and are called Verified Emission Reductions (VERs).

The main project types are carbon sequestration (largely through trees), energy efficiency (focusing on saving energy and emissions) and renewable energy (replacing fossil fuels by renewables), but these can be subdivided. According to a 2008 analysis of 97 providers and 328 projects, reforestation is the most frequently used type (33%), followed by renewables and methane abatement (26% each). Energy efficiency comes at 7% (Kotchen 2009).

The main advantage of voluntary carbon offsetting is that it is available now and to anyone wanting to reduce impacts from GHG emissions. And one could argue that, provided all emissions are accurately calculated and compensated, an emissions reduction achieved through offsets is equal to an actual reduction made by a person or an organisation (Gillenwater et al. 2007), though this is not entirely true as the long-term impact of various reductions (e.g. technological innovation vs. modal shift) varies considerably (cf. Kollmuss et al. 2008). Voluntary carbon offsets contain a number of contradictions. First, the availability of offsetting could be misused to support unsustainable (travel) lifestyles, though it has some educational potential to increase public awareness of climate change (Gössling et al. 2007a). Second, whereas some see the voluntary market playing a role in fostering technological innovation (Gillenwater et al. 2007, Harris 2007), others are concerned about the negative effect of offsetting on the transition of participating industries and individuals towards low-carbon technologies and practices (Gössling et al. 2007a, Hooper et al. 2008). The latter concern is certainly valid for aviation, where a business-as-usual scenario combined with offsetting as a main emissions reduction strategy would lead to an immense growth of the sector’s emissions (Bows et al. 2005).

In general, most stakeholders do not regard offsetting as a main solution for mitigating climate change and thus describe it as a second-best solution, after reducing energy use. It should rather be regarded as a transitional alternative for currently missing policy and technological solutions that would bring the structural changes and government-mandated schemes needed (Braun et al. 2004, Gillenwater et al. 2007, Sterk et al. 2004, Taiyab 2006). This is acknowledged by governments (DECC 2009), offset retailers (Harris 2007) and aviation representatives (ICAO 2007) alike. Nevertheless, the latter will most certainly (need to) use carbon offsets to justify further growth (Broderick 2009).

2.2 Issues

Assessments of offsetting schemes have revealed great differences in project standards, calculation methods, transparency and project verification (Boon et al. 2007, Clean Air-Cool Planet 2006, Gössling et al. 2007a, Hooper et al. 2008, Kollmuss et al. 2007). Main issues under debate include the additionality, double counting, permanence, leakage and sustainability benefits of offsets. For example, Schneider (2007) estimates that the additionality – the key concept of whether emission reductions are the unique result of a carbon offset project – of around 40% of CDM projects is unlikely or questionable. These differences and issues have left many to question the credibility of offset providers and to discourage consumers from using offsets (Davies 2007, Elgin 2007, Hammond 2007, Macalister 2007, Revkin 2007, Traufetter 2006). Part of this can be attributed to the young age of the trade (Clean Air-Cool Planet 2006, Kollmuss et al. 2007), but even market experts regard the voluntary market as non-transparent and few believe it produces real emissions reductions (Røine et al. 2008). Some authors warn for a collapse of the voluntary market due to the lack of standards and credibility (Gillenwater et al. 2007, Hooper et al. 2008).

Industry observers perceive the critique as both a danger and an opportunity for the voluntary market. It may at some stage reduce demand, but it also induces those involved to pay closer attention to quality, service and information: key factors to further market growth (Hamilton et al. 2007). As a reaction to the critique, the calls for a common standard and the application of one standardised calculation method to increase the credibility of the voluntary market (Capoor et al. 2007, Gössling et al. 2007a, Kollmuss et al. 2007), at least a dozen standards have been (re-)developed (see Hamilton et al. 2008, Kollmuss et al. 2008). Additionally, the UK government has introduced a Quality Assurance Scheme for Carbon Offsetting in an effort to secure that consumers receive credible information about their impacts, offset projects and sustainable alternatives (DECC 2009).

2.3 The market

The voluntary carbon market has grown rapidly over the last years (see figure 1): from 6 schemes in 1999 to at least 97 by December 2008 (Kotchen 2009); possibly even 170 (ENDS 2008). At least 64 anglophone providers that offered flight offsets were counted in September 2007; 56% were non-profit schemes (Eijgelaar 2007). There appears to be a shift from non-profit to for-profit organisations: December 2008, two thirds of providers were for-profit (Kotchen 2009). The voluntary market is still a western phenomenon. Of 97 providers, 43% are based in Europe, 40% in the USA/Canada and 17% in Australia/New Zealand. The majority (56%) of projects are located in developing countries (Kotchen 2009).

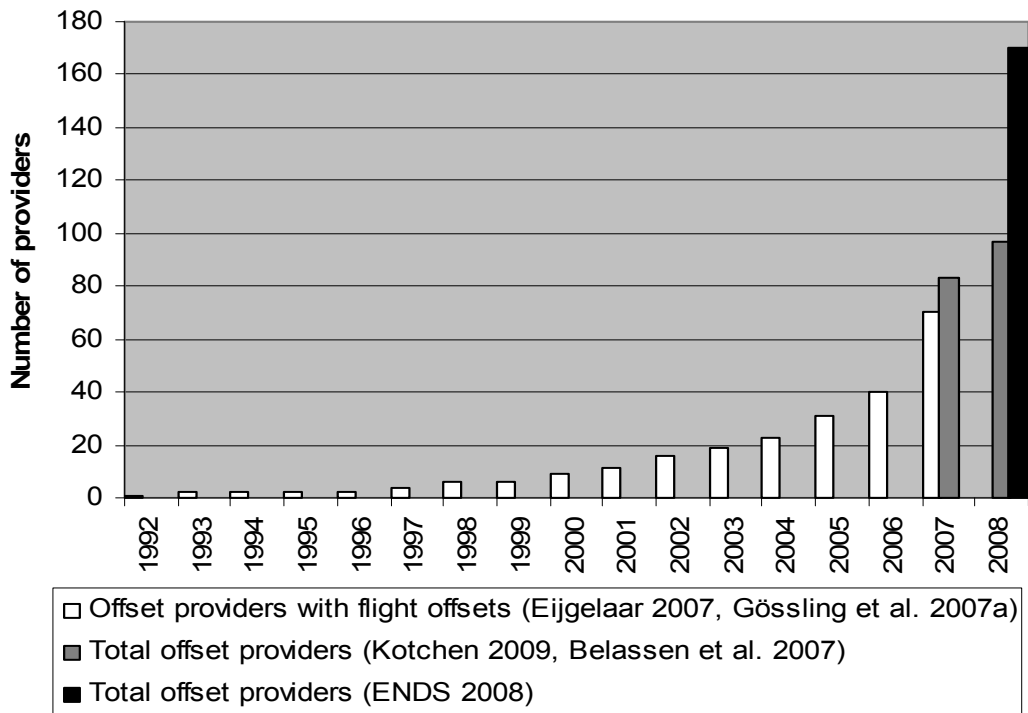


Figure 1: Number of voluntary carbon offset providers

The rapid growth of the voluntary carbon offset market has been much emphasised: the combined voluntary transactions for the OTC (Over-the-counter) and CCX (Chicago Climate Exchange) markets have increased from 11 Mt CO₂e in 2005 to 25 Mt CO₂e in 2006 and 65 Mt CO₂e in 2007 (Hamilton et al. 2008). Note that these figures are for completed and confirmed transactions only and that not all of these offsets have been retired, i.e. they have not served their mitigating purpose yet. Market analyst Point Carbon estimates the voluntary market volume at 75 Mt CO₂e in 2007 (Røine et al. 2008). The regulated carbon market represented 2,918 Mt CO₂e in the same year (Hamilton et al. 2008).

2.4 Potential for mitigating air travel emissions

Most studies refrain from making comparisons of offset sales with GHG emissions for estimating the mitigation potential of carbon offsetting. By way of global and national examples this section attempts to provide some clarification on offset potential for mitigating air travel emissions. As there are no total figures known for the global sale of travel offsets, estimates are based on customer shares shown in provider surveys and by individual sales figures. Please note that some offset figures are expressed in CO₂-equivalents (CO₂e) whereas air travel emissions are expressed in CO₂ only.

On a global level, the voluntary market volume of 65 Mt CO₂e represented 2.2% of all combined transactions on the regular and voluntary carbon market in 2007. Global GHG emissions were 49 Gt CO₂e in 2004 (IPCC 2007a). Total CO₂ emissions from air travel were estimated at 705 Mt in 2004 and tourism air travel emissions at 515 Mt CO₂ in 2005 (IATA 2008b, UNWTO/UNEP/WMO 2008). Individuals and businesses offsetting travel emissions each occupied an 11% share of the customer group base of 24 offset retailers surveyed in 2006 (Harris 2007). This seems to be the highest reported share for flight offsets, although the report does not specify what the customer share is expressed in. Comparing these percentages to the total market volume of 2006 as used by the same author (10 Mt CO₂e), would mean flight offsets equalled around 2.2 Mt CO₂e. Respondents

in a 2008 survey of brokers, developers, retailers and wholesalers by Hamilton et al. (2008) claimed individuals to have bought 5% of the transaction volume of the OTC market in 2007 (2.1 Mt CO₂e). Another 6% was used for offsetting business flights (2.5 Mt CO₂e). It is unlikely that all individual offsets were used for air travel, so a combined volume of 4 Mt CO₂e used for compensating air travel would be an absolute maximum. Comparing these CO₂e offset estimates with air travel CO₂ emissions would imply that around 0.5% of aviation emissions are compensated by voluntary carbon offsets, i.e. excluding the non-CO₂ effects of air travel. This confirms the estimate of Boon et al. (2007), who concluded that voluntary offset schemes compensate less than 1% of air travel impacts on climate change.

Examples on a provider/national level lead to the same conclusion. In the UK, current evidence points towards a low take up of voluntary carbon offsetting (House of Lords EU Committee 2006). Daviss (2007) estimates that 1.5 million people had bought flight offsets in the UK in 2006. Compared to 235 million terminal passengers in all UK airports and 7 million extra passengers from the year before (CAA 2007), the number of compensated flights is low. Annual reports of a selected number of offset providers also offer a view on mitigation potential (see Table 1). Unfortunately, these reports are rare, seldom up-to-date and generally not very detailed; an example of lacking transparency. German provider atmosfair, who only sells flight offsets and has relatively low competition from other providers nationally, reported 41,900 compensated flights in 2007 (atmosfair 2008). Here too, a comparison with departing air passengers on German airports in 2007 – 94 million and an increase of 5.5 million from 2006 (Statistisches Bundesamt 2008) – shows the marginal effect of these offsets. Expressed in CO₂, 63,500 t (atmosfair offsets in 2007) appear minimal compared to around 18 million t CO₂ emissions produced by departing passenger air traffic in Germany (Buyny et al. 2008). Similarly, Netherlands-based GreenSeat claims credits were bought for up to 5,000 flight stretches per month early 2007 (Climate Neutral Group 2007) while on average over 2 million passengers departed from Dutch airports in the same year each month (CBS 2008). Swiss myclimate, with sales partners in several countries, reported the offset sales of 100,000 t CO₂ in 2007; these were not limited to air travel (myclimate 2008). Switzerland counted 36 million departing air travellers in that year and aviation produced 3.8 million t CO₂ from fuels filled up in Switzerland in 2006 (FOCA 2008). Even in the unlikely event of 100 schemes selling the same amount of flight offsets as atmosfair, total volume would just exceed 6 Mt CO₂ per year; less than 1% of aviation emissions.

Though more and more airlines are offering carbon offsets to their passengers – some 25 airlines had introduced offset schemes by April 2008 – passenger use is reported as low (IATA 2008a). Offset take up is occasionally high with some specialist tour operators, but as long as consumers on the main market remain largely uninvolved, substantial mitigation of tourism and aviation emissions cannot be expected from voluntary carbon offsetting.

Table 1: Some evidence of offset sales

Provider/airline/operator	Offset amount (in CO ₂)	Flights only	Time frame
Fritidsreseguppen/TUI Nordic	136 of 1.3 million trips = 80 t*	Yes	Apr-Nov 2007
TUIfly/myclimate	8% of online tickets, 21,000 t	Yes	Oct 07-Oct 08
atmosfair	41,900 flights, 63,500 t	Yes	Year 2007
myclimate	100,000 t	No	Year 2007
Carbon Balanced	11,000 t	No	Year 2007
Climate Neutral Group	100,000 t	No	Year 2006
GreenSeat	60,000 flight stretches = 18,000 t*	Yes	Year 2007
Climate Care	150,000 t	No	Year 2006
Trees for Travel	13,000 t	Yes	Year 2006

*CO₂ calculated by using a global emission factor for passenger air transport of 0.129 kg CO₂/pkm and an average return distance of 4,580 km (UNWTO/UNEP/WMO 2008: 127)

Sources: atmosfair 2008, Climate Care 2007, Climate Neutral Group 2007, Gössling et al. 2009, myclimate 2008, Trees for Travel 2007, TUfly 2008, WLT 2008

Gössling et al. (2007a) argued that the amount of voluntary compensated emissions needs to increase by a factor of 400 for the market to make a real impact (of 10%) on aviation emissions. The calculations above suggest a lower factor would suffice, but it would still be a growth in flight offset sales that is not predicted in any market report.

3. Assessment of communication aspects

3.1 Introduction

Although it is widely acknowledged that reduction should always precede offsetting, this strategy is not always effectively communicated. It is believed that voluntary compensation schemes can help raising public awareness of climate change and the need to act (Boon et al. 2007, Harris 2007, Hooper et al. 2008), but only if consumers are well-informed about their impact on climate change (see Burns et al. 2007). Otherwise they may conclude that compensation allows a continuation of energy-intensive transportation lifestyles (Boon et al. 2007, Gössling et al. 2007a, Kollmuss et al. 2007). Taiyab (2006) sees raising public awareness of climate change and carbon offsetting as a key factor for the success of the voluntary market. Raising consumer awareness on travel behaviour impacts could have a direct influence on the personal choice of transport mode, destination and airline. However, this alone cannot influence air travel demand (House of Lords EU Committee 2006). Research has long proven that an increase in environmental knowledge, leading to environmental awareness, does not induce people to more environmentally-friendly behaviour, even if many still hang on to this theory (Kollmuss et al. 2002).

There is little scientific understanding of the reasons for growth in air travel in terms of people's motivations and decision-making process to use air travel, as well as of the public knowledge of air travel impacts on climate change (Anable et al. 2006). The willingness of consumers to change travel behaviour or mitigate their impacts in other ways has not been researched in much detail either (Becken 2004). Such understanding is critical for motivating public support for mitigating action. Air travellers that know little about aviation's impacts do express the need for information on the subject (Becken 2007). Thus it is essential that offset providers who sell flight offsets educate their customers about climate change and aviation impacts, and more importantly, to provide options for reducing emissions. The latter should be given priority over offsetting (Gössling et al. 2007a, Sterk et al. 2004). The UK Department for Environment, Food and Rural Affairs (DEFRA) included these aspects in its consultation document for establishing better standards for voluntary carbon offset providers (DEFRA 2007c), now published as the Government's Quality Assurance Scheme for Carbon Offsetting (DECC 2009). The following requirements on provider information refer to the discussion above:

- Offset providers must provide general information about climate change and the importance of reducing one's carbon footprint.
- Offset providers must provide information on how to reduce one's carbon footprint; alternatively, clear signposting to a suitable information source should be made available to the consumer.
- Offset providers must provide explanatory information about the role of offsetting in contributing to tackling climate change. (DECC 2009: 7)

Communication or consumer education by voluntary carbon offset schemes has hardly been assessed. While Kollmuss et al. (2007) state that consumer education is vital for voluntary carbon offsetting, they do not evaluate this in detail. Providing sufficient transparency, an important issue for customers, is already a problem for many offset

providers (Clean Air-Cool Planet 2006, Taiyab 2006). An evaluation of 30 providers revealed a general poor performance of consumer education on global warming; most providers did not feel responsible (Clean Air-Cool Planet 2006). Ribón et al. (2007) found only a few Australian providers who communicated offsetting as being only one element for mitigating impacts on climate change and some encouraging consumers to reduce first and then offset. Hooper et al. (2008) analysed the educational information of 42 providers: 17 schemes provided comprehensive information on climate change, offsetting and ways to reduce emissions; 18 schemes provided adequate information, i.e. on two of these three issues; the informative content of seven schemes was described as poor.

In line with the DECC requirements, this paper aims to compare online communication of voluntary carbon offset schemes on climate change, air travel impacts, offsetting and reduction advice with public and industry awareness of and attitudes to the same issues. The result is used to evaluate the potential of voluntary carbon offsetting to induce sustainable lifestyles and its contribution to climate change mitigation from tourism emissions (see fig. 2).

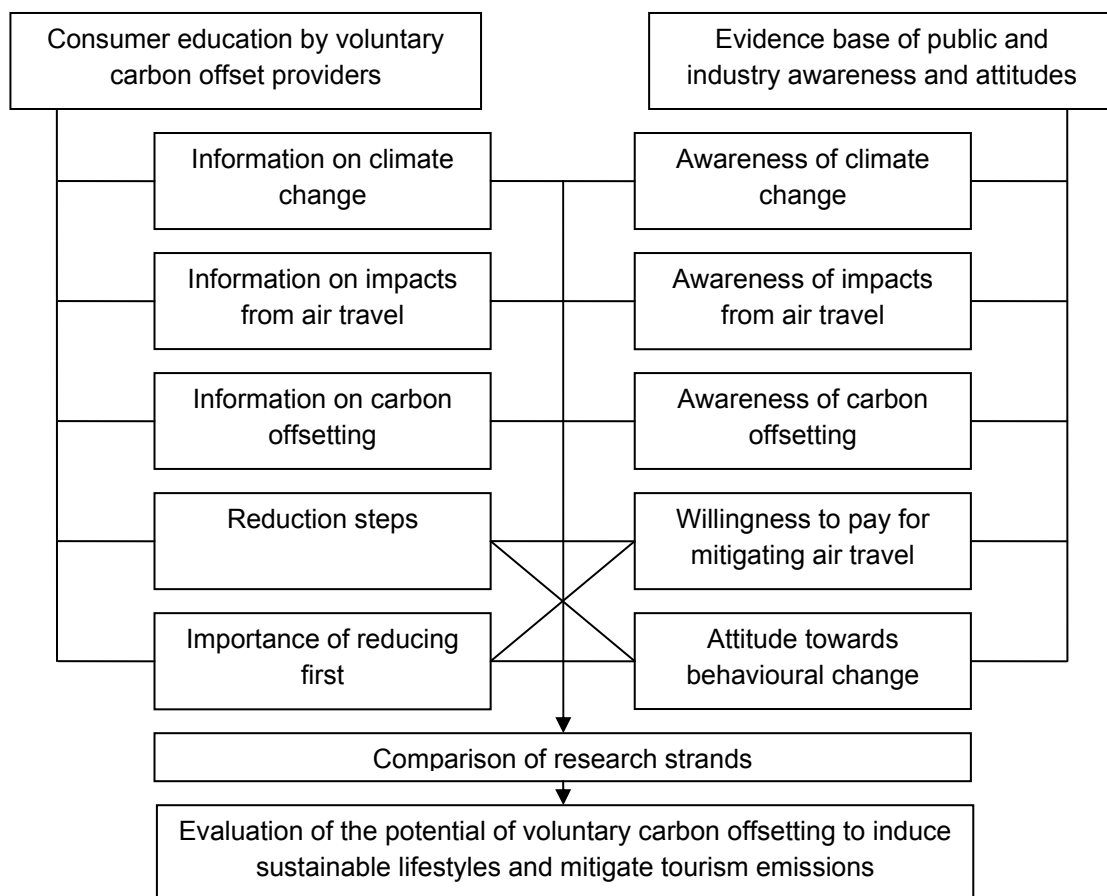


Figure 2: Representation of research strands and interrelationships

3.2 Methods

The overview of global public and industry perceptions of and attitudes to climate change and air travel behaviour was based on an evidence based literature review. A large selection of worldwide reports, polls and articles, generally written between 2005 and 2007, were used; some of the most comprehensive reports were published in the UK (e.g. Anable et al. 2006, DEFRA 2007b, DEFRA 2007a). Research on the perceptions of tourism stakeholders on climate change and travel emissions has only just started (Becken 2004,

Becken 2007, Driscoll et al. 2007, Gössling et al. 2009, Lund-Durlacher et al. 2007, Shaw et al. 2006).

Provider communication was analysed online as voluntary carbon offset schemes are Web-based (Boon et al. 2007). Publications on voluntary offsets (Boon et al. 2007, Clean Air-Cool Planet 2006, Gössling et al. 2007a, Kollmuss et al. 2007, Ribón et al. 2007, Sterk et al. 2004, Taiyab 2006) and Web sites were consulted for the selection of applicable schemes. Only offset schemes that catered to air travellers and provided English content were included.

Online content analyses, both automated and conventional, were used for evaluating textual content of selected Web sites. The conventional analysis assessed if providers communicate the importance of reducing emissions before offsetting on their Web sites, and if advice is given on how to reduce air travel emissions. From a mitigation point-of-view, these are the most essential, but from a marketing perspective the most controversial educative elements voluntary carbon offset providers need to communicate. Web site material was analysed systematically through inductive category development (Mayring 2000), following pre-defined categories and definitions to exclude subjectivity as much as possible. Categories were described and defined in a coding agenda with which all Web sites were analysed.

An automated frequency analysis was used to match a list of pre-defined terms with the online content of carbon offset providers, in order to assess information depth on climate change, carbon offsetting and advice on reducing emissions. The terms were written as Regular Expressions (REs) to match the Web site content. REs are a small, specialised programming language embedded inside Python (Kuchling Undated). Because of the large number of terms (initially 268), six concepts were chosen for grouping them so that the frequency of these concepts instead of the individual terms could be calculated (cf. Pollach et al. 2006). The analysis was performed by a custom Linux script. The textual content of each Web site, limited to those pages that started with the same URL, was downloaded to create a mirror sample. A loop based on the 'egrep' Linux command matched the REs in all Web pages. Initially, an excel sheet with total frequency counts per expression was produced (55,000 matches in total). A few REs were then altered or deleted for being too ambiguous or to exclude irrelevant content. Finally, matches were manually cleaned, leaving only relevant ones; 165 REs with 29,000 matches remained.

All content analyses were conducted from September to October 2007.

3.3 Review of public and industry attitudes

The literature review revealed a generally high level of awareness of climate change in industrialised countries, whereas levels of concern vary. Both public and industry are not always well-informed about the exact causes. Some 30 to 40% of the public and tourism industry representatives recognise air travel as a contributor to climate change. Only few citizens and tourism professionals can identify relevant measures for reducing (air travel) emissions. Evidence shows that tourism companies and airlines are gradually adapting carbon offsetting as an environmental (or business) strategy; tour operators refrain from measures that would increase the price of their products. A growing number of people seem to be willing to pay for mitigating climate change, though there are great differences between countries and target groups. Support for policy measures like air tax is limited. Britons and Germans show a similar willingness to carbon-offset their flights (~25%) and equal figures of those that actually do so (2-5%). Despite the public's greater confidence in large bodies like governments and industries to solve climate change, personal environmentally friendly behaviour appears to have increased and is now integrated into many people's lives. However, people are less willing to change travel behaviour than other consumptive behaviours: "the attitude-behaviour gap is wider for travel behaviour than for other behaviours" (Anable et al. 2006: 55). Willingness to reduce flying ranges between 7 and 17%. There is very little evidence on willingness to shift transport modes, and even if

there was, tourism professionals do not seem keen to introduce modal changes to their products.

Overall, large information deficits on several topics were found. The following figure is used to illustrate the present gaps between awareness, attitudes and behaviour related to air travel and climate change. The results from this assessment (Eijgelaar 2007) are for the UK only, because the evidence from this country is most solid. Two recent surveys directly aimed at air travellers have been added: Hooper et al. (2008) interviewed Manchester airport passengers early 2008 and Gössling et al. (2009) questioned passengers at Gothenburg airport in April 2007. These surveys were based on relatively small samples. They signal that awareness of air travel impacts is high among air travellers. Willingness to pay for offsets appears to have increased, but travel and offset behaviour remains the same, making the attitude-behaviour gap only seem bigger.

A survey of air travellers at Schiphol airport, the Netherlands, confirmed that higher levels of awareness of aviation impacts and/or a higher sense of personal responsibility for climate change have a positive impact on the willingness to pay for a carbon tax. This survey signalled a willingness to pay for a carbon tax of 75% (Brouwer et al. 2008). However, if the carbon tax would be on a voluntary basis, only 10% of those originally willing to pay was very sure they would actually pay (Akter et al. 2009).

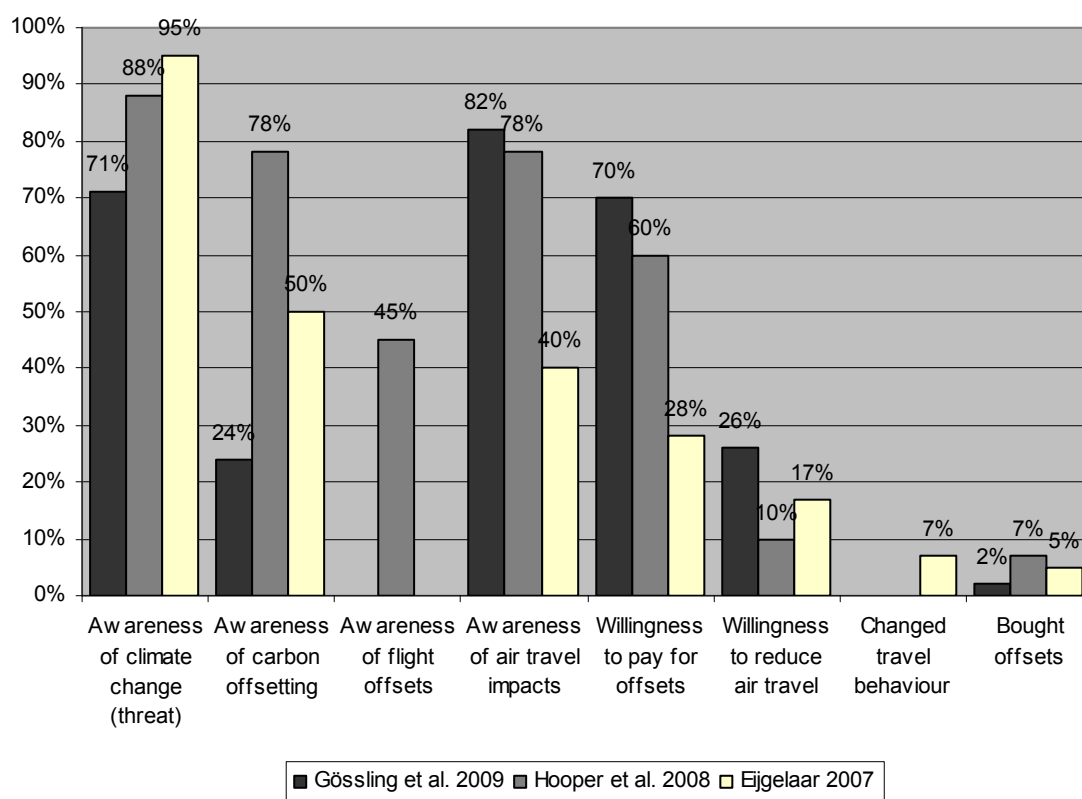


Figure 3: Levels of awareness, attitude and behaviour regarding climate change, air travel and offsets

3.4 Results content analyses

The Web sites of 64 voluntary carbon offset schemes were selected for analysis (see table 2). Two thirds of these schemes are based in the UK (23) and North America (21); twelve are based in Australia and New Zealand, and eight in the rest of Europe. 36 schemes are

operating non-profit and 28 for-profit. Two thirds (42) featured origin-destination (O/D) calculators for measuring air travel emissions. Another five sites provided O/D calculators via external links, while seven required the user to estimate miles flown and ten offered far less accurate 'packages' for offsetting air travel emissions (e.g. short-haul and long-haul).

Table 2: Selected voluntary carbon offset schemes

American Forests	Climate Care	Moor Trees
atmosfair	Climate Friendly	mycarbondebt
BEF	Climat Mundi	myclimate
BeGreen	Climate Positive	NativeEnergy
c-change	Climate Stewards	neco
Carbon Balanced	Climate Trust	Offsetters
Carbon Clear	co2balance	Origin Energy
CarbonControl	Conservation Fund	Planetair
Carbon Footprint	CoolAction	PrimaKlima
Carbon Fund	DrivingGreen	PURE
Carbon Neutral	Easy Being Green	Sustainable Travel Int.
CarbonNeutral Company	e-BlueHorizons	TerraPass
CarbonNeutral Newcastle	eForests	Tree Canada
Carbon Offsets	Elementree	Treeflights
Carbon Passport	Envirotrade	Trees for Cities

Carbon Planet	Equiclimite	Trees for Travel
Carbon Reduction Institute	Friends of Conservation	Uncook
carboNZero NZ	GoodPlanet	Uniglobe
CarbonZero CA	Greenfleet	VREC
Conservation International	GreenSeat	Zerofootprint
C Level	Growaforest	
Cleaner Climate	LiveNeutral	

A slight majority (58%) of voluntary carbon offset providers emphasised the importance of reducing energy use and emissions before using carbon offsets on their Web site, but only a small number (14) do so on their homepage. Many schemes clearly prioritise offsetting. Three quarters provided general advice on reducing energy consumption and one third does so for air travel. The amount of advice varied greatly and relevant content was often hard to find. Few schemes provided appropriate information on how to reduce air travel emissions: video conferences, train travel and holidaying locally were most frequently mentioned. More complicated sustainable transportation alternatives and external links to sustainable tourism and transportation companies were largely absent from discourse. Advice for businesses is often supported with economic and responsibility-oriented arguments; advice for individuals is underpinned with personal morale and money-saving options.

Climate change and its causes were explained by nearly all offset schemes, but often very superficial. The explanation is frequently left to other organisations via links. The variety of terms used for describing the impacts is larger than for explaining the science and causes of climate change. Very few provided scientifically based information on air travel impacts.

On average, voluntary carbon offset providers explained carbon offsetting sufficiently, using a variety of general and project type-related terms. Project standards were discussed less.

Many schemes are inconsistent as they do not combine the information on various topics, for example by linking a 'reduce first' message with the causes and impacts of climate change and advice on how to reduce energy use.

The Web site of Carbon Fund was the only site that reached the highest category for four concepts (importance of reducing energy use, reduction advice, climate change science, climate change impacts), but it still failed to provide information on the impacts from air travel. The same site is also recommended as good practice by Hooper et al. (2008).

3.5 Comparison

The mitigation potential of voluntary carbon offsetting is determined by comparing public and industry awareness of climate change and attitudes to various mitigation measures, with actual consumer education on these topics by voluntary carbon offset providers. The validity of this comparison is limited by a number of factors, such as the many other influences of environmental behaviour that were not considered, the low evidence base for some topics and the limitations of the content analyses due to rapidly changing Web content and URLs. Despite these constraints, the comparison reveals a distinct trend: overall, online consumer education does not fill the knowledge gaps identified in the attitude review (see figure 4). Those topics that require urgent public and industry attention and for which awareness is low – causes of climate change, impacts from and reduction advice for air travel – are also communicated least sufficient by offset providers. Vice versa, topics that are better-known are also more often mentioned by providers. The information deficits

seem equal among all stakeholders; the public, tourism companies, airlines, environmental behaviour researchers and offset providers alike. The more important measures for reducing air travel are not known or avoided. It is arguably easier to jump on the carbon offset wagon, which seems to be exactly what tourism companies and airlines are doing, as was feared by Gössling et al. (2007a). After all, other industry reduction efforts, like more structural changes in tourism management (Peeters et al. 2009, Strasdas 2009) would raise product prices and deter customers (Driscoll et al. 2007). Both the state of 'collective denial' described by Becken (2007: 365) and the 'clear conscience' perspective of Downing et al. (2007) apply here: everyone is waiting for others to take effective action whilst showing a green image at the same time. While this trend does establish carbon offset schemes on a broader basis, it might also lead to the 'offset and keep flying' instead of the required 'reduce or stop flying' scenario (cf. Boon et al. 2007). Consumers maintain their energy-intensive, mobile lifestyles (Gössling et al. 2007a, Sterk et al. 2004). Nevertheless, the overall performance of consumer education on climate change and reduction advice by offset providers appears to have improved since the evaluation by Clean Air-Cool Planet (2006), as is also concluded by Hooper et al. (2008).

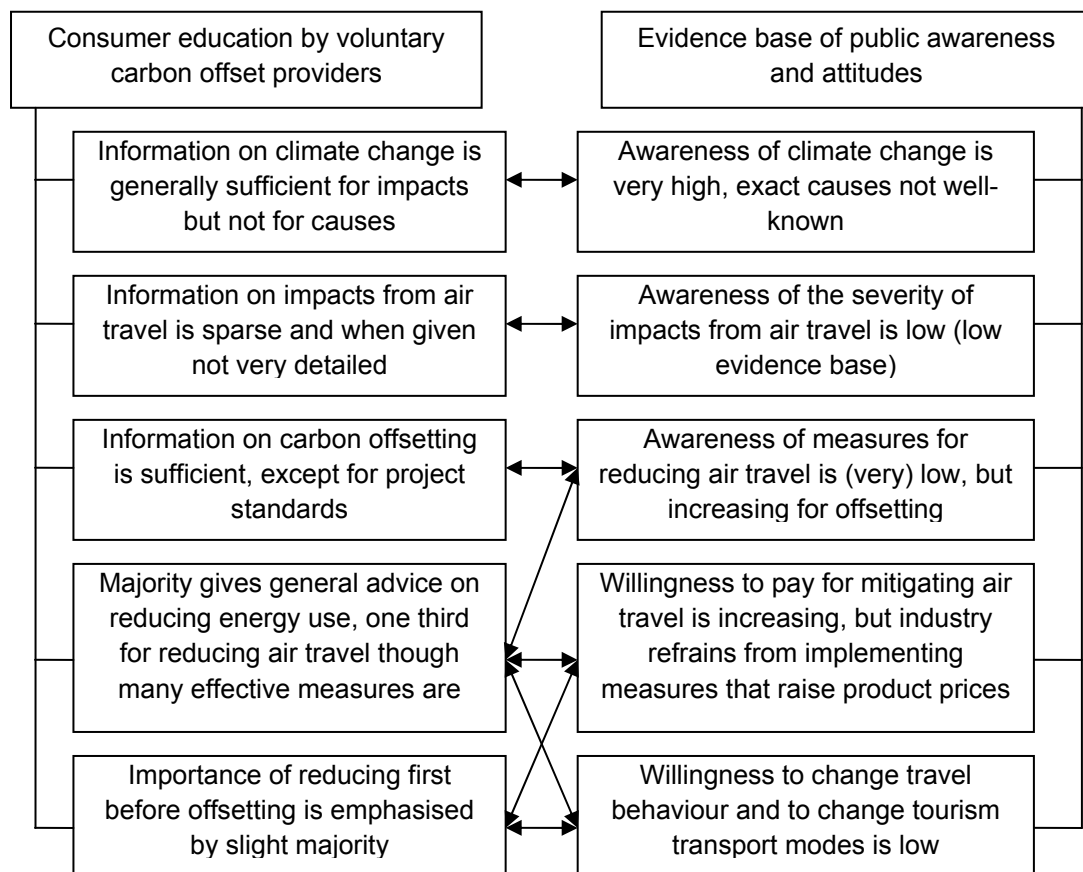


Figure 4: Comparison of results of attitude review and provider analysis

4. Discussion

On the basis of this investigation, current potential of voluntary carbon offsetting to induce sustainable lifestyles is estimated as very low, particularly concerning air travel behaviour. Improved consumer education and increasing exposure of carbon offset schemes via tourism and airline Web sites may further increase awareness of travel impacts and

willingness to pay for offsets, but behavioural change is a different issue. By offering and using carbon offsets, more individuals and businesses have at least started thinking about the sustainability of their travel behaviour and business strategies. After all, the very concept of *voluntary* carbon offsetting implies a commitment to climate protection (Sterk et al. 2004). But due to its similarities with other ethical market approaches voluntary offsetting could also remain a niche market for responsible individuals and businesses (Bellassen et al. 2007).

The potential of voluntary carbon offsetting to contribute significantly to climate change mitigation from tourism is equally low, mainly due to the considerable gap between the willingness to offset or change travel behaviour and actual offset and travel behaviour. As this gap is likely to remain substantial, the huge offset market potential found in willingness to pay studies (Brouwer et al. 2008, MacKerron et al. 2009) is equally likely to remain untouched. A comparison of flight offset sales with aviation emissions confirms the very limited mitigation potential of voluntary carbon offsetting for this sector. However, its short-term use for individuals and businesses wanting to take action should not be neglected. Hence, Daley et al. (2009: 362) see offsetting as “part of an overall, integrated aviation and climate policy that is focused primarily on reducing greenhouse gas emissions and that contributes to the overall transition to a low-carbon economy, rather than being simply mechanisms for raising revenue.”

The analyses have shown that clear and appropriate information was not always available on the Web sites of voluntary carbon offset schemes. Not a single scheme offered sufficient information on all topics analysed. Providers should pay attention to DECC’s criteria for consumer information (DECC 2009) and rewrite their Web sites accordingly. Links between information on climate change science, impacts, causes (like air travel) and mitigation measures also need to improve. Ideally, a user would have to start with information on climate change and its causes, followed by emissions calculation, reduction advice, and finally offset options. The question is whether improving the consumer education of carbon offset schemes will fill the gaps identified here. To include a larger sample of consumers, airlines and tourism companies need to provide the same educational information; a development wanted by UNWTO (UNWTO/UNEP/WMO 2007). But an uncontrolled increase in offset schemes and standards could also confuse and deter the consumer, much like what happened with many tourism ecolabels (Hart et al. 2004). There would be no harm in targeting information more towards ‘willing’ consumers: the stronger the belief about the relationship between air travel, climate change and offsetting, and about the ability of individuals to limit their air travel impacts, the higher the willingness to pay and the higher the likeliness to offset (Hooper et al. 2008). Currently, the majority of air passengers hold airlines and governments far more responsible for mitigating aviation emissions than themselves (Gössling et al. 2009, Hooper et al. 2008).

Meanwhile, there are other ways to increase offset uptake, dependent on the target group: some positive results have been reported with small ‘opt-out’ donations and mandatory offsets (see Gössling et al. 2009, Hooper et al. 2008). Such options and their successes may provide valuable lessons to offset providers, but also to policy makers. Researchers need figures though, and these are lacking on the offset market. In this respect it will be most helpful that the UK government, in its quest for more transparency, is planning to include such figures in an annual report on the providers that join its Quality Assurance Scheme (DECC 2009).

Understanding attitudes to air travel and to alternatives for air travel remain essential points for research in order to find ways for effectively closing attitude-behaviour gaps. Results could be compared with the attitudes and travel behaviour of offset users, which have only been researched on a very small scale: do they also reduce their air travel or is it business-as-usual? The same is valid for airlines and tourism companies: does offsetting limit their willingness to engage in structural and technological change, or does it induce pro-environmental behaviour? A similar analysis to the one presented here, of consumer information on airlines and tourism Web sites, would show whether these actors are getting more engaged (cf. UNWTO/UNEP/WMO 2007).

This paper has attempted to look at things in a multidisciplinary way, combining results from tourism, transport and environmental behaviour research (cf. Dubois and Ceron 2006: 413). Consequently, some theories have only been touched upon. The analyses have had a strong focus on the role of information and left out other factors influencing travel behaviour (cf. Anable *et al.* 2006). A distinct link between information levels of public and industry and on offset Web sites was found after all.

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Destinations' positioning strategies: how can ski resorts in the French alps successfully differentiate themselves

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Abstract

Due to the intensity of worldwide competition and product parity, positioning and branding strategies have become a strategic weapon for tourism destinations. The present study aims at identifying how tourists' products (ski resorts), which can be fairly similar, can succeed in developing strong and differentiated brands. By conducting focus groups with customers in six different resorts in the French Alps, the researchers show how customers perceive differently those resorts. The results also differentiate what are the common themes to all ski resorts (structuring values of ski holidays common to any ski resort) and the differentiating images that can be developed and used to ascertain a strong and differentiated brand positioning. The sharp differences observed among customers shows that, for some resorts, the positioning strategies have been very successful.

Key words: ski resorts, destination branding, image, differentiation

1. Introduction

For several years, academics and practitioners alike have shown an increased interest in image studies and destination branding strategies (Beerli *et al.* 2004; Gallarza *et al.*, 2002; Pike, 2002; Mackay *et al.*, 1997; Pritchard and Morgan, 2004). This increased attention has been motivated by the necessity for destinations, within global competition, to differentiate themselves from each other. As a result, destinations have been striving to build a strong, positive and distinct identity or "brand" which can be considered as their core value (Morgan, Pritchard and Pride, 2005). In other words, building eye-catching advertisements that can trigger consumers' awareness is no longer efficient, and in order to make a differentiation and to win the customers' "mind and heart", destinations need to create and maintain a clear identity and strong personality as their competitive advantage.

The present study aims at identifying how ski resorts, which are by essence fairly similar, can achieve in developing strong and differentiated brands. By conducting focus groups with customers in six different resorts, the researchers show how differently customers perceive those resorts.

2. Literature review

In order to understand how branding can achieve to ascertain a competitive advantage for ski resorts, this section will review the concepts of branding, destination branding and destination image.

2.1 Branding

A brand is a sign, name, or logo used to differentiate one product from another one. "The primary role of a brand is to identify the goods or services of either one seller or a group of sellers and to differentiate those goods or services from those of competitors" (Aaker, 2000, page 7).

The term of brand is taken from the age-old practice of indicating ownership or origin by burning or stamping signs onto material, be the wood or clay, or even onto living beings, such as people (slaves) or cattle (Gnoth, 2007).

While designed especially for economic purposes, the common understanding of a brand is that it represents characteristics and qualities that, as a promise to consumers, form the base of the brand's reputation (Herbig & Milewicz, 1995).

The branding strategy involves identifying target market(s) and choosing a positioning and communication strategy on each of them. This communication strategy entails designing efficient advertising campaigns and messages which include also signs such as symbols,

logos, sale promise, slogans, etc. Brands have become such an integral element in consumers' lives and a powerful statement about themselves, that their features are often associated with human characteristics such as personality (Aaker, 1997).

2.2 Destination branding

While the concept of branding has been established for some time in general consumers' goods markets, it has only been applied to the destination product since the mid-nineties, with the ascertation that destinations can be branded in the same way than consumer goods and services have been (Anholt, 2005; Kotler, 2003). For potential visitors, the destination brand is an important orientation guide, differentiating the destination from competitors' products and simplifying customers' decision making processes (Muehlbacher et al., 1999). Gnoth (2007) believes that branding a destination means offering place values for tourist consumption. In a rapid changing and competitive market, branding of places is important because it evokes certain qualifications and stimulate emotional values in tourists' minds. Branded places such as cities and regions provide an umbrella of trust, a guarantee of quality, and a set of ready-made life style meanings (Anholt, 2005). As such the key aim for place branding is to influence tourist's intention to visit a place and intention to recommend it.

Destinations provide an amalgam of products and services, hence they encapsulate a diversity of offerings under a corporate, mega or "umbrella brand" (Wernerfelt, 1988), rather than just an individual product or service brand. Therefore, destination branding is considered as a process in which different elements and features of the destination should be clearly identified, i.e. destination's cultural, social, natural, and economic capital as a set of relational and living values. A place brand should represent the "reason for visiting", the core values, and reputation of a place (Gilmore, 2002). The key issue when designing place brands is to understand place brand values and to develop a long-term brand management strategy. Place brand values should be durable, relevant, communicable, based on actual place characteristics or features and not on faked aspects and they should also hold saliency for both the stakeholders and potential tourists (Morgan et al., 2005). Place marketers should also formulate their positioning strategy to identify a potential source of competitive advantage (Niininen et al., 2007). The process requires an understanding of how a place is perceived to perform on attributes deemed important to its target market in relation to other competing places (Niininen et al., 2007). In this process, segmentation techniques are particularly pertinent and even essential. "A brand is a name, symbol, logo word mark or other graphic that both identifies and differentiates the place; furthermore it conveys the promise of a memorable travel experience that is uniquely associated with the place; it also serves to consolidate with the place; it also serves to consolidate and reinforce the recollection of pleasurable memories of the place experience" (Richie and Richie, 1998, page 103).

2.3 Concepts associated to branding

Several concepts have been associated to that of branding. The authors will not review all of them in this paper but will detail the most relevant ones to the present study.

Brand Equity refers to a set of brand assets/liabilities linked to a brand, its name and symbol that add to/subtract from the value provided by a product or service to a firm and/or to that firm's customers (Aaker, 1991). Brand equity is usually measured by the total number, the valence (positive, neutral, or negative), the origins, and the uniqueness of associations attached to the brand. Brand equity refers to the extent to which a consumer holds strong, favourable and unique associations with a brand in his/her memory (Solomon, 2004).

A brand position is an important part of a brand identity, which is the central idea of an organization, a set of associations a firm wants to create or maintain in customers' minds. It should be customer centric and differentiated (Aaker, 1996). Successful brands with a clear position and a unique identity are able to develop brand equity (Hanna & Wozniak, 2001). The position has to be actively communicated to the target audience and constantly able to demonstrate advantages over competing brands (Pechlaner, Raich and Zehrer, 2007).

Brand architecture is the structure of brands within an organizational entity. It is the way in which the brands within a company's portfolio are related to, and differentiated from one another. The architecture should define the different leagues of branding within the organization; how the corporate brand and sub-brands relate to and support each other; and how the sub-brands reflect or reinforce the core purpose of the corporate brand to which they belong (Bennie, 2000). Brand architecture is the way in which companies organize, manage and to market their brands. Brand architecture is often the external face of business strategy and must align with and support business goals and objectives.

2.4 Destination image

Building a brand image involves identifying the most relevant associations for the destination and strengthening those linkages to the destination brand (Keller, 1993).

In order to understand how tourism destinations can build a strong positioning strategy and ascertain a noticeable brand, they need to fully understand the subtleties of the images they convey and be able to identify which images to choose to develop successful positioning strategies. Image studies are varied and extensive work on this concept has been published in the tourism literature which cannot be reviewed in the present article. However, the work of Echtner and Ritchie (1991, 1993) have been used as a starting point in this study. Indeed, those authors have conducted extensive work on image evaluation that has been used in various image research projects since the publication of their articles. Echtner and Ritchie, advocate the use and mix of both quantitative and qualitative methodologies to elicit image dimensions among consumers. They also suggest that images have several dimensions. First of all, an image needs to be differentiated along two dimensions: holistic and attributes, functional and psychological and finally, common and unique. While the present authors do not criticise the existence of those three dimensions,

they are interested in the later one which can bring interesting information regarding positioning strategies and can lead to a better analysis of brand equity.

3 Methodology

3.1 Objectives of the study

The goal of this research is to determine to what extent ski resorts have a potential for differentiation, even though they offer similar services and facilities in somewhat comparable landscapes or "serviscapes". The study will first identify the dimensions of images that are encountered in ski resorts and then investigate whether a ski resort can use some of those dimensions in order to develop a specific positioning strategy, thereby creating a different selling proposition. The researchers want to identify whether the perceived positioning of the resorts all relate to a general theme (i.e. ski vacations and mountains) or do they actually define a distinct destination in the mind of their own customers ? On which aspects of their image can resorts act to establish differentiation and an effective branding strategy? Which aspects constitute the basic perceptions of any ski product in the northern French Alps and which aspects can be used to establish a differentiating strategy?

3.2 Identifying the dimensions of positioning

Identifying the positioning of a given product or service category requires to select the relevant dimensions along which they can be measured (Bhat and Reddy, 1998). A previous research led on ski resorts brochures allowed the researchers to identify through statistical lexical analysis six main themes illustrated by both text and pictures (Frochot and Kreziak, 2007). As brochures are widely used by ski resorts as well as other destinations to communicate their positioning, the dimensions identified in the brochures can be considered as "proxies" for the dimensions along which the resorts intend to position itself.

3.3 Illustrating the dimensions of positioning

Positioning, as it is perceived by customers, relates directly to image: they are the reflection of each other. Image is what is perceived to be the positioning of a product or a destination. Therefore an analysis based on images and pictures was performed in order to explore the perceived positioning of french ski resorts along the identified dimensions. Each of the 6 dimensions was illustrated by a selection of four pictures taken from a wide range of existing brochures, not necessarily the ones from the investigated resorts (a total of 24 pictures was presented to participants). These pictures were selected by a jury of

academics specialized in tourism in order to reflect the different sides of each dimension as represented in brochures, i.e. "skiing" can be represented by very different types of pictures ranging from an extreme version of off-piste skiing in powder snow, to sunbathing on deck chairs in an altitude café. The six dimensions previously identified are: mountain authenticity, skiing, resort services (including services to children), non-ski snow outdoor activities, conviviality and challenge.

3.4 Exploring the perceived positionings

For each of the five resorts investigated, customers' perception of the resort positioning was identified during their stay. The market of non customers of this particular service category was not investigated. The 66 customers investigated were recruited through an add communicated by the local tourist information services and rewarded with a present pack offered by each of the tourist information centres.

For each identified theme, the respondents were asked to choose the picture that best represented the resort they were staying in, and the one that represented it the least. Tourists were asked to justify their choice. For some of the themes, respondents did not choose any of the pictures, which was in itself an indication of the relative importance of the dimension. For each set of four pictures, if one or more pictures were not chosen, the interviewers would then ask participants why these/those pictures were not chosen. This strategy proved to be efficient in order to understand also the limits of the positioning as perceived by visitors. For instance, visitors would indicate that such image was definitively not representative of their resort and explain why. On some occasions participants could even clearly name another resort as typical of this type of positioning, for instance they would indicate that "this type of tourism can only be practiced in Courchevel", etc.

3.5 Sample

The study presented took place in the French Alps in the winter 2007 and involved focus groups with 66 consumers at six different ski resorts. The resorts being investigated reflected the diversity of those encountered in the northern Alps: three large high-altitude resorts (Courchevel, Val d'Isère and Méribel), and three middle to small size resorts (Aussois, Val Fréjus and Les Aillons).

4 Data analysis

In order to analyse the results, the researchers first transcribed the content of the focus group conversation. However, for the purpose of the positioning identification, it was rather a count of the picture selection that was interesting, and its associated explanation expressed by participants.

In order to identify the common images, results were analysed across the whole sample and the pictures that received the highest score in several resorts (i.e. pictures that were

selected by more than half of the respondents) were retained as representatives of the common perceptions of ski resorts and of typical skiing holidays.

In order to identify the differentiating images among resorts, the results were analysed per resort and those who appeared in only one or two resorts could be considered as specific to those resorts and therefore differentiating compared to others.

Finally, a third aspect was taken into consideration when analysing data, that of the similarity of responses among respondents in each resort. For instance did respondents in a resort all agreed on the response given or did their views diverge? This third element was taken to signify the strength of the brand, that is to say the cohesiveness and power of the images conveyed by the resort.

5. Results

The data collection procedure based on pictures proved to be relevant to our purpose, as respondents made clear and quick choices between the pictures and could easily comment on it. This indicates that they have a clear vision of what the resort represents and does not represent.

Moreover, customers in each resort tended to choose the same pictures as representing the place where they were holidaying. The data were collected during several focus groups and sometimes for practical reasons by different interviewers. This similarity is then not the result of a group effect or of the influence of the interviewer.

When comparing the pictures chosen among resorts, some pictures clearly appeared to be common to all resorts (table 1). These can be conceptualised as representing the common image of skiing, that is to say the core experience of a holiday and that constitutes the common images. These cannot serve as differentiating themes in a positioning strategy but need to be present to reassure visitors that the resort does provide the common and core theme of any skiing holiday.

Table 1 – Relative importance of pictures for each resort

Themes	Images	Cour - chev el	Mérib el	Val d'Isè re	Ausso is	La Nor ma	Les Aillon s
Moutain	Mountain landscape (high altitude and wild)	27 %	22%	14%	37.5%	0%	0%
	Old Chalet	81 %	55%	0 %	12.5%	33%	42%

Authenticity	Village	64 %	44%	86 %	50%	58%	44%
	Frozen river	18 %	22%	0 %	19%	16%	46%
	Ski instructor & child	55 %	65%	0 %	87%	100 %	66%
Services at the resort	Restaurant on the slopes	100 %	33%	14 %	25%	9%	11%
	Night vision of a resort with animations	100 %	22%	14 %	0%	9%	11%
	Spas	55 %	0%	0 %	0%	0%	0%
	Sledging	18 %	55%	29 %	0%	33%	0%
Non-ski snow activities	Cross country skiing (redefined as walking)*	27 %	100%	43 %	44%	50%	55%
	Fun Snow shoeing	10%	44%	14 %	6%	9%	33%
	Snow shoeing walk	18 %	0%	14 %	18%	25%	0%
	Off piste skiing in fresh snow	36 %	100%	71 %	6%	0%	0%
Skiing	Off piste on the verge of a slope	45%	100%	0 %	50%	58%	44%
	Couple skiing and smiling among pine trees	36 %	90%	29 %	75%	50%	33%
	Couple sunbathing	72 %	100%	0 %	6%	16%	11%
	Inside a chalet with a wood fire	100 %	100%	30 %	0%	25%	11%
Conviviality	Group of friends posing for a picture on the slopes	55 %	55%	43 %	50%	42%	22%

	Alpine bedroom (wood, alpine decors)	100 %	100%	0 %	0%	0%	0%
	Diner at a local restaurant*	0%	44%	14 %	31%	33%	66%
Challenge	Competition skiing	36 %	100%	29 %	0%	0%	11%
	Off piste in powder snow on a very steep slope	55 %	100%	57 %	12%	0%	0%
	Ski mountaineering	36 %	100%	14 %	6%	0%	0%
	Surfer jumping on the side of a piste	36 %	100%	0 %	31%	50%	33%

* while people chose an image of a group of people peacefully strolling among pine trees in cross-country skiing, they redefined it by replacing those skiers by walkers.

Table 1 brings some interesting results. First of all, it allows the identification of themes that seem to be common to all resorts. These images represent the essence of a skiing holiday, the basic elements that people are seeking when they are searching a holiday.

In terms of experiencescape, most customers are looking for an alpine atmosphere and this seems to be composed of: a mountainous landscape to admire and gaze at, wooden chalets cluttered in a village and pine trees. The pine trees were present in several pictures and always came back as very important items of the skiing experience. Their symbolical value is very powerful, especially if they are covered in snow (references were made to Christmas and the idealised alpine landscape in childhood resorts).

These images are even so strong in consumers' minds that customers will willingly adapt the reality to fit those images. For example, even in fairly modern resorts, people choose the image of old chalets (in Courchevel, for instance) as representative of their resorts. Those chalets are not necessarily typical of the place they are staying in but any wooden construction will send visitors back to their stereotypical images of alpine features. Therefore, to an extent any construction in wood will be seen as sufficiently representative of the alpine specificity.

In terms of the skiing holiday experience, the pictures that are common to most resorts are: friendship (group of friends on the slopes), easy skiing from a couple who is laughing while skiing, easy skiing and a ski instructor with a child.

Within these common themes, there is however an exception, that of Val d'Isère which appears to have a very clearly and narrower defined positioning whereby images relating to easy and family type of skiing are clearly not how the resort is perceived. People who come to Val d'Isère see the resort (and want to be seen) as a place for "real skiers".

Table 2 highlights the unique positioning between resorts and shows where the unique selling propositions can be identified.

Table 2 Unique themes according to resorts

Themes	Images	Cour- cheve l	Méribel	Val d'Isèr e	Aussois	La Norm a	Les Aillons
	Mountain landscape (high altitude and wild)	27 %	22%	14%	37.5%	0%	0%
Moutain	Old Chalet	81 %	55%	0 %	12.5%	33%	42%
Authenticity	Village	64 %	44%	86 %	50%	58%	44%
	Frozen river	18 %	22%	0 %	19%	16%	46%
	Ski instructor & child	55 %	65%	0 %	87%	100%	66%
Services at the resort	Restaurant on the slopes	100%	33%	14 %	25%	9%	11%
	Night vision of a resort with animations	100%	22%	14 %	0%	9%	11%
	Spas	55 %	0%	0 %	0%	0%	0%
	Sledging	18 %	55%	29 %	0%	33%	0%
Non-ski snow	Cross country skiing (redefined as walking)	27 %	100%	43 %	44%	50%	55%
activities	Fun Snow shoeing *	10%	44%	14 %	6%	9%	33%
	Snow shoeing walk	18 %	0%	14 %	18%	25%	0%
	Off piste skiing in fresh snow	36 %	100%	71 %	6%	0%	0%
Skiing	Off piste on the verge of a slope	45%	100%	0 %	50%	58%	44%
	Couple skiing and smiling among pine trees	36 %	90%	29 %	75%	50%	33%
	Couple sunbathing	72 %	100%	0 %	6%	16%	11%
	Inside a chalet with a wood fire	100%	100%	30 %	0%	25%	11%
Conviviality	Group of friends posing for a picture on the slopes	55 %	55%	43 %	50%	42%	22%

	Alpine bedroom (wood, alpine decors)	100%	100%	0 %	0%	0%	0%
	Diner at a local restaurant*	0%	44%	14 %	31%	33%	66%
	Competition skiing	36 %	100%	29 %	0%	0%	11%
Challenge	Off piste in powder snow on a very steep slope	55 %	100%	57 %	12%	0%	0%
	Ski mountaineering	36 %	100%	14 %	6%	0%	0%
	Surfer jumping on the side of a piste	36 %	100%	0 %	31%	50%	33%

Table 2 highlights unique positioning that are perceived by visitors. First of all, a characteristic to all high-altitude resorts is that of a luxurious service provision, for instance images of luxurious and spacious interiors respecting the “local” style (stones and wood) are very much sought after in Courchevel and Méribel and to a lesser extent in Val d’Isère. The general perception from customers is that smaller resorts cannot pretend to this level of service quality.

The positioning of Courchevel is in fact very interesting since this resort differentiates itself very clearly from the rest. Its positioning is somehow closer to that of a summer seaside resort than a skiing resort. Indeed, outside the alpine setting, customers identify the resort with very relaxing activities set in a luxury setting (sunbathing, eating in high altitude resorts, night-life, spas, etc.). The positioning is very much that of a jet set resort where the skiing/mountains provide a very pleasant servicescape but does not constitute its prime activity. Of the three large resorts, Val d’Isère is one that has a very narrow positioning. In fact it is the resort of the sample which has the most specific positioning on the ski dimension (that of extreme skiing). As a result, hardly any of the images other than those associated to intensive skiing are chosen. The luxury dimension remains but visitors reject the bedroom image because “*I have not come here to rest and sleep but to ski*”.

Regarding Méribel, the positioning is not necessarily negative but simply undefined in the sense that Méribel seems to include all aspects. Its positioning is that of a high altitude resort, modern, providing various skiing activities.

As for the smaller resorts, the study identifies that, if they correctly position themselves along the common positioning images, they hardly show any distinctive theme in their positioning strategy. While they can offer a more authentic experience, closer to nature, and with various snow activities, these dimensions are not perceived by consumers. Consumers do not see the specificity of those smaller resorts and identify them with the

same common positioning themes of bigger resorts: their positioning is perceived as providing all the basic ingredients of a skiing holiday but no unique dimension.

6 Discussion

The end result will allow managers to understand which themes constitute the common themes of mountain tourism in the northern Alps, and which images/themes can be used to ascertain clear and well defined positioning strategies. The study also provides guidance in promotional material design (especially brochures). In regard to the resorts studied, the results clearly indicate that consumers have very different perceptions of skiing across different types of large resorts (i.e. larger resorts can successfully display very different branding strategies from one another). However for smaller resorts, similar positioning strategies are identified: they all appear to display very similar images. Smaller resorts have chosen a positioning which is a pale copy of larger resorts and is only based on the common images of skiing while they could have more successfully developed a positioning of their own.

The results give a lot of grounding to the concept of destination branding since, for products that have a very similar offer in terms of servicescape and activity, different brands are clearly identified. Out of the five resorts studied, the brands that are the more clearly defined in customers' minds are that of Val d'Isère and Courchevel. Both these resorts have achieved clear and cohesive positioning: some specific themes are selected by the customers interviewed and the perceptions are very close in content. Méribel, another high altitude resort, does not appear to have developed such a clear positioning among the customers interviewed. This does not mean that the image that comes to mind is necessarily negative but that it relies on a variety of themes and thereby its positioning is unclear.

Regarding the three small resorts, the problem is different. Those resorts do not seem to have displayed many unique elements. Their positioning reflects the core and common values associated to skiing holidays but they have not succeeded in ascertaining a unique positioning.

7 Conclusion

The present study identified how similar tourism products such as ski resorts can successfully establish brands. Most importantly, the study identified what were the common images of skiing, that is to say the core images that should be used by any ski resorts but that cannot constitute a different positioning in themselves. The study also proceeded to identify the unique dimensions which represent the themes upon which resorts can ascertain a positioning strategy.

Once those the common and unique dimensions were identified, it was then possible to analyse which resorts had successfully established a brand, which resorts had an unclear positioning (they position themselves on all themes) and resorts that had not been able to develop unique selling propositions.

The results also show that for some of the resorts (Courchevel and Val d'Isère), the communication and branding strategies have been very efficient: customers are capable of discerning the specific positioning of those resorts and differentiate them from other ones.

Future research should look into the specific communication tools that are most able to communicate this branding strategy to its customers. For instance, if traditional communication tools (advertising campaigns, brochures) are common and relatively efficient, managers still need to identify which type of promotional tool best suits specific branding themes. For instance, the skiing positioning of Val d'Isère is probably best promoted through the organisation of events such as the world ski championship in Val d'Isère in February 2009. Courchevel has achieved its positioning through personality endorsement (singers and actors for instance). It would be particularly interesting to know which themes and with which communication strategy the smaller resorts studied could develop a successful branding strategy.

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The role of transport for tourists and visitors in rural areas in Baden-Wurttemberg

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ABSTRACT

The paper will present the findings of an empirical study on tourist behaviour and travel motives in the tourism region Black Forest in Baden-Wurttemberg, Germany, and raises the questions why they do prefer private modes of transport to public ones. It also asks the question what could be done on behalf of both the rural destinations and the urban areas to improve the role of public transport and to bring people to use it instead of their private cars. It will also look into the conditions of contradictions between travel motives and tourist behaviour. It will aim at means to increase efforts for sustainability in rural tourism and the opportunities to decrease pollution by offering more sustainable modes of transport which are actually used by tourists and visitors.

Keywords: rural tourism; transport; recreation areas

1. INTRODUCTION

Rural areas have had a long record of tourism in Germany and, in particular, in the German state of Baden-Wurttemberg. Next to the costal areas in Northern Germany it was the rural areas in the South of the country with, above all, the states of Bavaria and Baden-Wurttemberg, which have been centres of tourism since the beginning. But while these rural areas used to be holiday regions where tourists spent their holidays staying once a year for a period of one or two weeks or even longer then, they have experienced a significant change in their tourist function for quite a number of years now. This change expresses itself in a continuous decrease of overnight stays in nearly all destinations, albeit in varying intensity over the destinations, and, simultaneously, in an increase of arrivals of tourists. This seems to be a general phenomenon in tourism which is by no means restricted to rural areas in Germany but which other kinds of tourism suffer from as well. It signifies a trend to more frequent but shorter holidays and therefore a common characteristic of tourists'

behaviour in general (Reiseanalyse 2007). But it is not only the decrease in overnight stays with an increase in arrivals which is remarkable. Linked to this is also a change in the catchment's area and the function of rural areas. They seem to become more and more recreation areas for urban region in their vicinities.

The focal location of this paper will be an area in the Black Forest in the state of Baden-Württemberg in the South-west of Germany. The Black Forest is a rural region of middle range mountains located in the very South and West of this particular state bordering the Rhine valley and France to the West, with the Neckar valley to the East, and Switzerland to the South. Its northern bound is the city of Karlsruhe. In terms of large cities it is Basel in the South, Strasbourg in the West, Stuttgart in the East and Karlsruhe in the North which build the main catchment's area for the region.

The above stated phenomenon of a decrease in overnight stays and, at the same time, an increase in arrivals is characteristic for this region as well. This phenomenon poses great problems to both the destinations and the tourism associations, since it means they have to change their policy significantly. While they used to design the product towards long stay tourists with the respective expectations of actors in the destination, this type of demand has definitely come to an end (Reiseanalyse 2007). This is expressed in an over-supply of beds, particularly in off-season times.

However, the Black Forest faces the following features which seem to be common for tourism in rural areas in general (Oppermann 1996; Sharpley 1997):

- Visitors rather than tourists (according to the definition of the UNWTO) are the largest group of people travelling to rural areas.
- Most of the travellers decide spontaneously to travel to rural areas; they travel by car and are visiting the area repeatedly.
- One of the most crucial motives for rural tourists is the search for a contrast to modern urban life. This implies the wish for rest, fresh air and, generally for a feeling of more space and freedom.

For the target group in rural areas such as the Black Forest this means a change from tourists staying in the area for a longer period and spending their (usually planned and organised) main holidays of one or two weeks or even longer there often originating from remote regions to visitors coming spontaneously for a short visit of one or two days and originating from the adjacent urban areas.

This has an impact on both tourists' and visitors' expectations. While it used to be a combination of nature and other attractions for the holiday-makers in former times it is, above all, the expectation of unspoilt nature that is the core of expectations of tourists and visitors of rural areas nowadays. Thus, preservation of nature, as well as the preservation of the rural area as a contrast to urban life, which integrates all aspects of rural life and

culture, as well as a certain kind of romanticism, have become key assets for rural destinations such as in the Black Forest.

This romantic association with rural areas has been coinciding with the ever more warning information about the consequences of climate change in Germany. Since this debate has started the role of rural tourism and the expectations of tourists towards rural areas in terms of unspoilt nature and opportunities of activities within it have become more and more an issue. Ecotourism, defined as “travelling to relatively undisturbed or uncontaminated natural areas with the specific objective of studying, admiring, and enjoying the scenery and its wild plants and animals, as well as any existing cultural manifestations...found in these areas” (Ceballos-Lascuràins 1987, cited in Fenell 2008, p. 17), and other terms were coined to describe the phenomenon that more and more tourists and visitors were interested in nature and nature activities. By the end of the 1980s, for example, ecotourism accounted for a share of c. 7% of the total income created by tourism. The estimated growth rate for this type of tourism was 10 to 30 % (Ceballos-Lascuràins 1993; Reingold 1993; cited in Kurte 2002, p. 31).

In Germany this phenomenon has been observed since 1999 empirically. F.U.R., a research team which looks into travel motives of the German population on a yearly basis. The most important travel motives mentioned by the respondents of the study are experience of nature, clean environment (get off polluted areas) and, above all, healthy climate (Kösterke/Laßberg 2005, p. 11). Empirical studies (Laßberg 1997; Kösterke/Laßberg 2005) support the finding that people who consider the above mentioned motives as particularly important are more open to environmental issues than others. And about 50% of the German population point out environmental friendliness of a destination as a decisive issue in planning holiday activities (ibid. p. 75). Furthermore, the same amount of respondents emphasizes the opportunity of experiencing nature to be of crucial importance for deciding for a destination (ibid. p. 21).

Even if travel motives are nature oriented travelling requires a change in location and therefore means of transport are necessary. The natural environment is affected, albeit dependently on the chosen means of transport. Gas house gases and their emission are considered to be the main cause for a change in climate, an issue which is widely debated in the society. Even if travelling by air which causes the bulk of environmental emissions and has therefore particularly be considered in long-haul travels is not to be generally considered for destinations in the Black Forest travelling by car and other means causes environmental emissions, too. For the particular case long-haul travelling is of minor importance since the focal source area of visitors and tourist is in the vicinities of the destination, as mentioned above. Empirical studies (Kahlenborn et al. 2000; Müller 2007; Strasdas 2007) have looked into the transport energy issues and show that if different means of transport (air, rail, coach, and car) are compared with each other it is rail which is the least polluting one followed by coach and then private car. Air is the most worrying means of transport environment wise (Müller 2007, 139; Gwinner 1999, 172; Mezzasalma 1994, 49).

Since these findings are open to public debate widely one might expect nature oriented tourists or such ones interested in experiencing unspoilt nature to be mostly aware of ecological problems and behave in a proper way. As an empirical study performed by the author shows, however, more than eighty per cent of the persons studied travelled to the destination in the Black Forest by car. This is all the more astonishing as once they have arrived they prefer to use public means of transport and the villages are easy to reach by such. The question must be raised though why tourists and visitors show this kind of contradiction in their travel behaviour.

2. THE CASE

Next to the coastal areas in the North of Germany and Bavaria in the South Baden-Wurttemberg is the state which in terms of tourism is amongst the most important in the country as a whole. It consists of various tourist regions with the Black Forest and the Lake of Constance as the most popular and internationally recognized destinations. Both regions are rural areas to a large extent with only minor importance of manufacturing industries. All other tourism regions are rural areas, too. Urban tourism in the state of Baden-Wurttemberg is concentrated mainly on business tourism in the large cities Stuttgart, Mannheim, and Karlsruhe.

Since the majority of tourist activities take place in rural areas the State Ministry of Agriculture and Rural Areas launched and funded a study on which the findings presented in this paper are based. The objective of the study was to look into travel motives, the character of stays, the mode of transport, the structure of tourists and visitors in the areas under study, to have a record and analysis of both the tourism and general infrastructure and to obtain information on products, strategies, and the degree of professionalization in the industry.

The study was performed, amongst others, in two parallel valleys of the western border of the Black Forest, the Sasbach valley with the village of Sasbachwalden and the Acher valley with the village of Ottenhofen. Both villages show a long record of tourism with a well-developed tourism infrastructure such as natural environment, cultural sights, roads, and accommodation facilities. One of the highlighted features of the natural environment is the Natural Park "Schwarzwald Nord" (Black Forest North) with a number of attractions either located within the boundaries of the two villages or adjacent to them. Within the natural park chefs and owners of restaurants have joined for an association which fosters regional products. The association aims at supporting regional agriculture and preserving the cultural scene. The chefs offer regional specialities in their restaurants the ingredients of which are all from the surroundings. Focussing on regional products therefore supports

the regional economy and is a unique selling proposition for the member restaurants. The whole area is a rural one with only minor existence of industry. Thus, the economy is based on tourism in its core.

Both villages are equipped with a substantial number of classified hotels and a considerable number of opportunities for private accommodation. The number and quality of existing restaurants and pubs is high, thus the gastronomic reputation, particularly of Sasbachwalden is well-known. Some of the restaurants are awarded in prestigious food guides. The valleys are also part of the wine region and are famous for their regional agricultural products, in particular they are producing ham and liquor, which are popular gifts tourists take home as a memory of their stay. Shops of all kind exist and also are there doctors and dentists. There is a meeting hall for welcoming tourists, having concerts and theatre plays in both villages. Sasbachwalden also has a public swimming pool. In terms of topography they range from 200 m above sea level to 1,200 m above sea level. This means a wide variety of landscape, fauna and flora. It also means the opportunities of winter sports, although its importance has decreased to changing climatic conditions. There are remarkable natural sights in both villages and the forest and nature are dominating the outer image. The area is well connected to the system of roads in terms of private traffic, and there is a train connection to the Rhine valley with the main railway lines. Furthermore, a local bus network exists, which is mainly used for school transport and therefore buses run only at certain times of the day. Between the valleys a bus runs twice a day. The villages are members of the KONUS network which is integrating nearly all lines of public transport in the Black Forest offering transport free of charge for tourists being registered officially. This enables tourists to go for day trips and other excursions by means of public transport without extra cost, thus widening the tourism products. Passes are offered by more than 6,000 hosts in more than 100 destinations. KONUS is widely accepted and frequently used by the tourists allowed to do so. This network is funded by using parts of the local visitor taxes. It is regarded as an example of best practice all over the country.

The tourism product is characterised by a focus on nature and nature related activities such as walking, Nordic walking, skiing, above all cross-country skiing, climbing, and cycling with an infrastructure fitting with this kind of activities. Additionally some of the hotels offer wellness packages. The destinations offer package tours and booking stays on their websites or through the tourist information offices. One of the villages offers a centre of nature protection in cooperation with the state government. This is especially frequented by schools. Most popular sights are old mills, some of which are still in operation, at least for show, and some are catered by the owners. In both villages there is a marked tour to these mills.

In Sasbachwalden there is some sort of Centre Park which attracts mainly young people. It is integrated in a centre for management training which makes up for a considerable number of tourists there.

But the destinations' typical tourists are leisure tourists, elderly people on the one hand and families with children on the other. Both types prefer holiday residences to classical hotel accommodation. This also has an impact on their consuming behaviour. Instead of going to restaurants for a meal during their stay in the destination they supply themselves. Contrary to tourists visitors are more heterogeneous in age than tourists and mainly come for the nature and activities within it. Walking including Nordic walking is a purpose which both categories of customers mention most frequently. Most of them come from the adjacent urban areas within the state of Baden-Wurttemberg, such as Karlsruhe, Freiburg, and Stuttgart. Many of the tourists and visitors come frequently. Although winter sports facilities exist, with a focus on cross-country skiing due to topographic features, the main season for the area is the summer with additional peaks in early autumn.

3. METHODS

The study focused on both customers and suppliers. The first step of the project focused on the analysis of existing documents and statistics such as the official yearly statistics required by the statistical office of the stat of Baden-Wurttemberg. The advantage of such official studies is their reliability and validity. This contrasts to the clear disadvantage that they cover only businesses with a capacity of at least nine beds and more. Taking into account, however, that in rural areas in Germany the bulk of accommodation is offered by smaller businesses or even by private house owners, it becomes quite clear that the large extent of supply is not covered by official statistics.

In order to overcome this shortcoming of official statistics many of the destinations collect statistical data themselves including all kinds of businesses and private suppliers. This helps them to keep track of the total supply which for them is an important source of income through visitors' taxes that have to be charged and carried on by the suppliers of accommodation. Analysing these statistical as well helped to record the difference between official data and "real" data in terms of overnight stays in the destinations.

Furthermore, the list of the totality of accommodation offered in the destination was included in the analysis of the supply side in terms of category (hotel, other business, private operator) and the classification system in operation (no star, one to five stars) so as to get an overview over the structure of the supply in terms of quality.

Suppliers were asked in expert interviews done with decision makers in tourism, such as representatives of the public authorities in charge of tourism, owners of hotels and other institutions accommodating tourists, representatives of sights, representatives of tourist associations, and workers in tourist offices. The interviews followed a list of subjects to be covered. These were aiming at the following issues:

- the future development of the destination,
- the question whether the decision-makers regarded their area as a holiday or a recovery area for the surroundings,
- the tourist infrastructure, i. e. sights, accommodation, transport facilities, shops etc.
- cooperation with other destinations or associations,
- size and appointments of tourist information offices, and
- personal dates.

They were open interviews and lasted about two hours each. Some of them were done on the phone. They were recorded and transcribed before analysing them. Additionally to the expert interviews focus groups were built so as to feedback and discuss the findings of the interviews with the experts.

For the study of the customers a survey of tourists in the area was performed. On the basis of a standardised questionnaire customers were chosen randomly each month on all days of a week at the same time in the destinations over a period of one year so as to cover all seasons. This helped to give account of seasonality in the destinations as well as discriminating different types of visitors or tourists should that occur. Tourists were asked to fill in the questionnaire which took them about 15 to 20 minutes. The replies were documented and then analysed quantitatively. In the two destinations the number of tourists asked amounted to 289 (from June 2008 to February 2009). Although not representative in the strong sense of social sciences the findings are helpful in making statements on the destinations. The study was conceptualized as an explorative one. The questionnaire for the tourists and visitors covered the following issues:

- choice of the destination,
- type of accommodation,
- length of stay,
- catering,
- frequency of stay in the destination,
- expectations and degree of satisfaction,
- occasion of travelling,
- kind of travelling,
- booking,
- personal dates: educational background, geographic origin, frequency of travelling, age.

Respondents who agreed to be interviewed additionally were asked to explain their motives and mode of travelling. 32 of the respondents were willing to do so.

The method was deliberately chosen so as to get access to a wide variety of kinds of tourists and visitors. It was considered to better suit the purpose of the study than alternative methods such as interviewing tourists in hotels and the like.

The research team also interviewed suppliers of accommodation, shopkeepers, and representatives of tourist sights such as the mills mentioned above. Their view of the tourist product, their expectations, strategies and criticisms of tourism policy added to the picture to be drawn of the destinations.

4. FINDINGS

The data on overnight stays and arrivals support the trend to shorter and more frequent holidays reported in the literature (Reiseanalyse 2007). This is due for both the official statistics by the state of Baden-Wurtemberg as well as the data collected by the destinations themselves. It seems therefore to be justified to classify this trend as the change from a holiday area, where people spend their holidays and stay for a considerable amount of time, to an area where people stay rather short term, albeit more often. The finding is emphasized by the motives which were mentioned by the tourists studied. Around 53% of the people asked stay overnight and are thus tourists in the sense of the UNWTO. But the remaining 47% are visitors. Of those staying overnight less than 10% stay longer than seven nights. Approximately the same portion stays for one to three nights. And considering the kind of stay even more supports the change mentioned above. Just 14% of the people under study were on their main holidays, 29% had their second or third holidays within the year, 10% were on a weekend trip and more than 39% came just for the day.

A comparison between the official statistics and the data collected by the destinations reveal clearly that tourists in rural areas choose accommodation offered by registered businesses only to a minor extent. This, on the other hand, also shows the inadequacy of official data for tourism planning and development and requires collecting data more specifically. These are the tourists' replies to the questions respectively: 22% stayed in a flat mainly offered by private suppliers while 20% preferred staying at a hotel. This is also reflected in the tourists' consuming behaviour. 22% are self suppliers, 13% chose half-board, another 13% bed and breakfast while just 3.5% chose full-board.

The majority of people (50%) studied were visiting the destinations regularly, while 41% came for the first time to the place when being asked. Of the regular customers 50% had been to the village more than three times. This is supported by the response to the question whether they might come back, which far more than 50% answered with yes while just 5% answered in the negative.

The main catchment's region for the two destinations is the state of Baden-Wurttemberg where more than one third of the tourists originate from, the second and third largest group is from the neighbouring states. In particular, the urban regions of Karlsruhe, Stuttgart, and Freiburg within the state of Baden-Wurttemberg are the most important source areas for the villages. This applies above all for visitors and week-end tourists.

As already mentioned both tourists and visitors come mainly for the nature and activities in it. More than one quarter of those studied came for walking, another 10% for cycling. More than half of the people pointed out relaxation as the main reason for coming. This finding emphasizes the attraction of rural areas as a relaxation area, particularly for urban regions.

Taking the behaviour and the expectations of tourists and visitors into account it is all the more surprising looking at their choice of transport means. More than three quarters travelled by private car with but less than 7% choosing train or bus, thus public transport. When asked why they prefer private to public transport the answer was quite illuminating. For the majority of respondents it was considered to be too burdensome "with that luggage" to use public transport. This reply was given, however, regardless of the fact whether tourists or visitors had been asked. In the interviews it turned out that behaviour has to be differentiated though. While all respondents pointed out the value of being independent and flexible when travelling by car, they themselves distinguish between getting there and staying there. While most of the tourists and visitors see their private car as indispensable to reach the destination, once they have arrived they prefer to use public transport means. Most of the tourists appreciate the existence of the KONUS card and use it whenever possible. But visitors and week-end holiday makers are denied this opportunity. This contradictory behaviour, being interested in sustainable forms of tourism on the one hand and therefore in preservation of nature and the natural environment and creating pollution by traffic on the other seems to be reflected on behalf of the consumers, though. Most of them said if there were convenient forms of travelling from home to the destination without the necessity to change trains, with the possibility of getting their luggage transported, they would travel by public transport. At the same time it must be remembered that even visitors who do not have to carry heavy luggage as a rule, prefer going by private car and justify their behaviour with "convenience", "flexibility", and poor infrastructure in the destination.

Decision makers in the focal destinations are aware of the problem. They complain about lacking infrastructure in terms of public transfer facilities but point to financial reasons to solve the problem on the one hand and lack of demand on the other. They had established a bus line some years ago from and to the Rhine valley which ran quite frequently, above all on week-ends according to their information. But this line had to be cancelled "because nearly no one used it", as one of the Mayors said in the interview. Public administration is open to establish opportunities for public transport subject to the question if finance and frequentation. In some areas within their district they experiment with trying to keep private traffic out of specific protected areas. These projects will be evaluated and decided upon

eventually after the report of the evaluation agency is available. Nevertheless the Mayors point out the difficulty and cost of controlling such projects. They consider it as a task of the state to provide the required financial means to implement all that.

5. CONCLUSIONS

The findings of this empirical study show a significant problem in terms of transport in areas of rural tourism dedicated to the preservation and the experience of nature. On the one hand tourists are aware of the problem and do appreciate sustainable means of transport, on the other their behaviour is quite contradictory to their ideas. They refer to the inconvenience caused by travelling using means of public transport, particularly when it comes to the question of carrying heavy luggage. They do use public transport when staying in the locations but they complain about a lack of supply. Representatives of the communities, however, refer to the lack of demand while they experimentally established public transport lines.

The example of the KONUS card is promising. The experience with this institution is a totally positive one. It works over the borders of local communities and can be applied in a tourist region as a whole without difficulties. Once tourists have arrived in their focal destination they obviously make use of such means. This raises the question whether such an institution can be implemented under different conditions and extended to purposes like taking tourists to their target destination. The Black Forest with its well established tourist record and tourist infrastructure seems to be an excellent destination to experiment with such an extension. This presupposes a close cooperation between rural and adjacent urban areas both in terms of content and finance. If the society wants to go the way to more sustainability in terms of transport to tourism destination, a step into this direction seems indispensable.

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Frequent Flyer Programmes as Mobility Booster? Implications for Sustainable Aviation

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ABSTRACT

Aviation is an important driver of individual and global mobility and emissions associated with transports. Recent studies indicate that a relatively small, highly mobile part of society may account for a large share of the total distances travelled. This phenomenon is as yet insufficiently understood. In addressing this situation, the paper reviews the processes leading to growth in mobility, and goes on to focus on frequent flyer programmes (FFPs) as an institutionalized framework for high mobility, detailing how these programmes reward and thus increase interest in mobility. Results are linked to a number of observations regarding the interrelationship of high mobility and social status, and substantiated by a survey of FFP members and their perspectives on benefits provided by such programmes. The paper ends with a discussion of the implications of FFPs for growth in aeromobility and its sustainability in a climate change context.

Keywords: aviation, air travel, frequent flyer programmes, loyalty programmes, mobility, social status

1. INTRODUCTION

It is now widely recognized that the transport sector accounts for a large and growing share of emissions in industrialized countries (IPCC 2007). Mobility studies consequently indicate that there are increasing gaps between observed mobility trends and sustainable transport scenarios (e.g. Åkerman 2005; Åkerman and Höjer 2006; Dubois et al. 2009; Ceron and Dubois 2006; Tight et al. 2005). These studies also show that air travel contributes to the largest proportion of the growth in greenhouse gas emissions in the transport sector.

Mobility is not evenly distributed between and within societies (Hall 2005). Recent research even indicates that the greatest differences in mobility may actually be found *within* countries, as a minor share of highly mobile travellers seems to account for a major share of the distances travelled within any given country (Gössling et al. 2009). Motivations for the highly mobile lifestyles of these individuals are generally not well understood. Changing mobility patterns, and in particular those towards more frequent, long-distance journeys, thus deserve special attention in a climate change context also because they seem to evolve over time and out of certain socio-cultural conditions (Frändberg 2008; Shaw and Thomas 2006). It has generally been assumed that the relationship between income, travel time and distance is constant –that people in a wide range of countries and cultures spend similar shares of their time and income on mobility. There is now growing evidence that this relationship weakens, with some individuals being constantly on the move, travelling over

huge distances and contributing disproportionately to the global growth in mobility. A case study of the French population's leisure travel revealed that 5% of the population account for an estimated 50% of the distances travelled. These differences in individual travel distances may primarily be attributed to air travel. Within the group of air travelers, there are again major differences in individual flight numbers and distances travelled. (Gössling et al. 2009) An understanding of the *drivers* of individual mobility becomes thus increasingly important.

Drivers of mobility can, on a fundamental level, include changes in travel patterns for work, and recreation (cf. Coles et al. 2005; Connell and Williams 2005; Green et al 1999, Swarbrooke and Horner 2001). Underlying socio-economic changes include processes of globalization, urbanization and industrialization. Migration and extended overseas stays for business or study have also resulted in complex changes of intercultural friendships and kinship relations, who in turn increase travel demand as a means to sustain such relations (Coles et al. 2005; Larsen et al. 2007).

2. FREQUENT FLYER PROGRAMMES (FFPs)

Frequent Flyer Programmes are loyalty schemes with the aim to bind customers more closely to a carrier or a network of airlines: "Loyalty programs are structured marketing efforts which reward, and therefore encourage, loyal behaviour" (Sharp & Sharp 1997: 474). The goal of loyalty schemes is ultimately to reduce the price elasticity among customers, making them less susceptible to comparably higher prices, particularly within selected segments, such as business travel (Proussaloglou & Koppelman, 1999; Klopheus, 2005). More than 90 percent of business travellers are estimated to be members of FFPs, with some 160 million people around the world collecting bonus points (Hanlon, 1999; The Economist, 2005). Multiple memberships are common (Gudmundsson et al. 2002). Overall, there may be 110 different FFPs worldwide (non-exhaustive Internet survey by authors, December 2008). The most important ones are linked to the dominant airline alliances, Star Alliance, Skyteam and Oneworld.

Members of FFPs receive mileage (bonus) points based on distances travelled, the number of flights and/or the fares paid. Business class passengers have their mileage points multiplied: for instance, SAS rewards business class tickets with twice the number of points a traveller would receive for an economy class ticket. Even though there are differences between airlines/alliances, there are generally two kinds of bonus points: basic/award points and status/level points. Basic points may be used to buy new, free tickets, or to upgrade tickets, usually from economy- to business class. They can also be used for shopping. FFPs were earlier on tied to individual airlines, but with the growing importance of airline alliances and GDS, points are now often transferable between airlines within the same alliance. A more recent trend is to coordinate FFPs within loyalty schemes including accommodation, car rentals, and retail. Bonus points can also be earned when using credit cards linked to frequent flyer programmes. The importance of such additional opportunities to earn bonus points is now such that half of the points are reported to be earned on the ground (Gudmundsson et al., 2002).

The status point system works in different ways. Most FFPs have graded memberships

(standard/basic, silver, gold) where higher status entitles the holder to extra services (Whyte, 2002; Thurlow and Jawroski, 2006). Status points are used to achieve higher member status levels. Status points can be earned through air travel and, to a limited degree, stays in selected hotels. The highest status levels are difficult to achieve. For example, gold status in the SAS Eurobonus program requires four intercontinental return flights, 15 flights within Europe, or >30 domestic round trips in Sweden within a year and in business class: economy class passengers need to fly even more frequently to achieve gold status. For gold status air travellers, bonus points will be automatically increased, i.e. they will receive more bonus flights for every flight made – consequently, highly mobile travellers are rewarded with disproportionately high levels of additional free mobility (SAS, 2008). The status point system is specifically targeted at the most frequent flyers, mainly business travelers.

Few empirical studies seem to have considered how FFPs influence mobility patterns on either aggregated or individual levels. Simply speaking, FFPs should stimulate mobility as they reduce the average cost of travel. This would also be reflected in the estimate that 7–8 percent of passengers are travelling on a ticket earned through a FFP (Economist, 2005). The percentage of generated (additional) travel is more uncertain, as it can be assumed that some flights would have been made even in the absence of FFPs, i.e. that these flights are simply paid for by FFPs. The following sections will discuss the complexity of FFPs in reproducing mobility in more detail, beginning with a discussion of the role of social status for frequent flyers and in FFPs.

3. FFPs AND SOCIAL STATUS

In Western societies, prestige and social status refers to a person's standing in society, and is based on or includes rights, duties or the person's lifestyle (cf. Encyclopaedia Britannica 2008). Luxurious lifestyles or specific rights consequently imply superiority over others. As Coles (2008:64) has pointed out, membership in loyalty schemes is connected to a number of "assumed rights", including priority check-in, access to lounges and dedicated amenities, waiting list and upgrade priority, special bonuses, exclusive special offers with strategic partners, dedicated and exclusive bookings services, and express, prioritised service lanes. (see also Thurlow and Jawroski, 2006). It could thus be argued that specific or "assumed" rights for frequent flyers go along with social status.

In their analysis of the "stylization" of "super elites", Thurlow and Jawroski (2006) go even further by suggesting that airlines use various discursive strategies to ascribe social status to frequent flyers. Super-elites do not only consume the service of being transported in between two locations, they also consume the semiotic context of the service, i.e. the social status ascribed to "elite identities" (Lash and Urry 2004; Thurlow and Jawroski 2006:102). Social status appears increasingly relevant in the social spaces of air travellers. Airports, for instance, can be considered as highly structured social spaces also making visible social stratification. (cf. Adey et al. 2007; Coles 2008) In the social ranking of the airport, frequent flyers and first class passengers are thus at the top of the social hierarchy, as they enjoy special privileges.

The ascribed status of air travellers has wider implications for society. For instance, SAS

communicates the notion of social class in its 2008 slogan “I travel, therefore I am”, printed on all envelopes holding passenger tickets. The implicit message here is that air travellers *are* – as they set out to explore the world, to do business. Their social status is thus embedded in their travel patterns, and, in a logical extension, frequent air travellers must *be* more than other air travelers and in particular non-air travellers. High mobility thus mirrors social status that is no longer confined to the social space of the airport. Even though written in a somewhat different context, this may be well described by Manuel Castells’ observation that “Elites are cosmopolitan, people are local” (Castells 2000: 446). There are also observations suggesting that not only frequency of travel but also distance in some cases may act as status booster. (Gössling and Nilsson, 2009) This would ultimately imply that aeromobility has become a precondition for being part of the elite and/or social status.

The following personal travel experience by one of the authors may help to further illustrate and develop the issue of status in relation to FFPs:

It is in the afternoon of a day late in November 2006. I have just arrived in Hongkong from Europe, hardly slept, and am already feeling wary. Still, I have to go on for another 12 hours. I don’t fly much, but when I was invited to New Zealand, I decided to sign up on a frequent flyer programme. Here in Hongkong, it might be useful – I see people in business suits streaming in the direction of the lounges, where you can even find showers! After a short wait in line, the lady behind the desk receives me with a smile: your frequent flyer card, please! When I put my card on the desk, her smile vanishes. “I am sorry, Sir, but you have to be a Gold Standard member to enter the lounge”. Already her attention has turned to the next traveller, who has watched the scene, giving me an annoyed stare while I turn away from the counter.

The experience shows that besides concrete benefits of FFP membership, social status is also an element of FFPs. In the above case, the traveller with access to the lounge has a higher social status than the author. The importance of the example above lies in its illustration that this is as much a process of providing status to some travellers as ascribing anti-status, i.e. the feeling of being inferior, to other travellers. Air travellers themselves may unconsciously or consciously communicate notions of status, with for instance the term “monkey class” sometimes being used in Sweden as a denominator of budget- or economy class travellers. The aspects discussed here may be of importance in addressing behavioral change, which is now increasingly seen as a precondition to achieve sustainable transports (Dubois et al. 2009).

4. FREQUENT FLYERS PROGRAMMES, EMPIRICAL RESEARCH

The following findings are derived from a survey carried out among international passengers at Copenhagen Airport, Denmark (Knutsson et al. 2007). The airport serves 21.4 million passengers per year (2007), offering a large number of international connections. The survey (n=273), conducted in for two full days in May 2007, was based on an English questionnaire handed out to passengers waiting at international departure

gates. The questions addressrd travel motive (business/leisure), travel patterns, the use of FFPs, and strategies – if existent - to enhance benefits from FFPs. Socio-demographic information collected included age, gender, country of residence and net income. Only passengers stating that they were members of a frequent flyer programme were involved in the survey (convenience sampling).

4.1 Results: socio-demographics, travel purpose and FFP membership

The socio-demographic characteristics of the sample show an uneven gender distribution, with 75 percent of the respondents being male, and 25 percent female – not an unexpected distribution of air travellers in Scandinavia (cf. Carlsson-Kanyama and Rätti 2008). With an average annual net income of €72,000, income levels in the sample are more than twice the European average (€29,247 in 2005; *gross* annual earnings, Eurostat 2008). With regard to travel purposes, 72% of the respondents stated to be on business trips and 28% on leisure trips; 86% travelled economy class and 14% business class.

Table 1: Sample socio-demographics (n=273)

Age	%	Nationality	%	Net income (€ 1,000)	%
0-30	6	Swedish	25	0-20	2
31-40	30	Danish	21	21-39	22
41-50	32	US	11	40-59	28
51-60	22	Norwegian	7	60-79	16
60+	10	German	5	80-99	8
		British	4	100+	24
		Italian	4		
		Other	18		
		Not specified	5		
Total:	100		100		100

The dominance of travellers from the Scandinavian countries can be assumed to influence FFP membership, as Scandinavian Airlines (SAS; belonging to the Star Alliance FFP) has one of its major hubs at Copenhagen Airport. In total, the 273 respondents reported a total of 395 FFPs memberships, 58 percent of these (227 memberships) associated with Star Alliance (Eurobonus), mainly through SAS and Lufthansa. 16 percent (n=64) held memberships of Skyteam, mainly through Air France and Royal Dutch Airlines (KLM; Flying blue), and 10 percent (n=38) had memberships of Oneworld. Memberships in other

programmes accounted for 9 percent (n=37), with 7 percent (n=29) of the travellers not specifying their airline/alliance. Overall, 29 percent of respondents reported multiple memberships in different FFPs, which is a considerably lower share than revealed in other studies (cf. Gudmundsson et al., 2002). With regard to membership status, most respondents (58%) hold basic status as their highest membership status in any of the FFPs, followed by silver status (31%), gold and platinum status (10%). 18 respondents had silver or higher memberships in at least two FFPs, and out of these six reported double- or triple gold memberships. With the exception of SAS Eurobonus, a programme with a higher percentage of silver and gold card holders (41 and 13 percent respectively), there was no significant difference between the airlines. It should be noted that 110 memberships were not specified by the respondents, all of them flying less than 20 times per year.

The survey reveals that the majority of the respondents fly frequently (table 2). Only a minority of the sample, 11%, reported up to three flights during the past twelve months (return flights including the present flight), i.e. 89% of the respondents had made at least 4 return flights per year. This would indicate that air travel is routine for the broad majority of the respondents. Three percent of the air travellers in the sample reported even more than 100 return flights in the past 12 months. This represents on average more than one return flight every three days for the most mobile travellers.

Table 2: Travel frequencies and highest FFP membership status level (n=272)

<i>Return flights</i>	<i>Frequency</i>	<i>Percent</i>	<i>Basic/ Unspecified</i>	<i>Silver</i>	<i>Gold</i>
1-3	31	11.4	23	6	2
4-6	50	18.4	33	16	1
7-9	24	8.8	18	5	1
10-19	73	26.8	41	25	7
20-29	33	12.2	11	15	6
30-39	19	7.0	8	9	2
40-59	27	9.9	8	9	10
60-79	5	1.8	2	2	1
80-99	3	1.1	1	0	2
>100	7	2.6	2	0	5

With regard to FFP membership, results are less clear. Table 2 indicates that basic

membership is more common among the less mobile travellers, but there is no corresponding distribution of gold status membership among the highly mobiles, as one would expect. With regard to income, no clear distributional patterns were found, even though all of the most highly mobile (>100 flights per year) belong to the >€100,000 annual net income group. Notably, only 4% of the most frequent flyers (>40 return flights per year) were found to be women. In summary, both with regard to the frequency of air travel as well as the distribution of economy to business class passengers, the survey confirms earlier findings (e.g. Gössling et al. 2008, Gössling et al. 2009, Whyte, 2002).

4.2 Gaining and using points

A number of questions addressed strategies for gaining and spending points. In one question, 'How have you mainly earned your frequent flyer points', interviewees were asked to rank air travel, shopping, hotel, car rental and "other" with regard to their importance. Air travel is the most important way of gaining points, ranked first by 92% of the respondents, and followed by hotel, car rental, shopping and "other", which appears somewhat contradictory to claims that half of bonus points are earned on the ground (The Economist 2005). With regard to the use of FF points, most are spend to buy free flights, also for family members (62% of the total sample), followed by upgrading (10%), hotel nights (4%), car rental (1%) and shopping (1%). Overall, it is notable that 44% reported not to have spent any bonus points during the past 12 months, which may be explained by the importance assigned to achieving and maintaining a higher frequent flyer status (Hall 2008; IATA 2008).

The survey shows that the most frequent flyers are rewarded with the highest level of additional, free mobility. Those flying more than 40 times a year received on average 2.7 free flights per year. Those flying less than ten times a year still received an average of 0.75 free flights. Calculated as a percentage of total travel, less frequent travellers profit more from frequent flyer programmes. As shown in figure 1, the group of air travellers making 1-3 flights per year earned 31% in additional flights, a value that decreased to 18% in the group making 3-5 flights, and further declined to 4% in the group making more than 40 flights per year (weighted average all groups: 7.5%; a figure comparing to findings reported in The Economist, 2005). The percentage decrease by flight class may be explained by

the fact that highly mobile travellers already profit from a greater number of free flights. Additional bonus points may thus rather be invested in improved services or upgrading. This assumption is confirmed by the survey results. Respondents flying less than 20 times a year regarded free tickets as the most important reason to be part of FFPs; for those flying more than 40 times per year, access to lounges was considered most important, with extra service and upgrading being perceived as additional advantages. This would indicate

that FFPs enhance mobility through free, additional mobility, and if measured in relative terms, particularly the mobility of those flying less frequently.

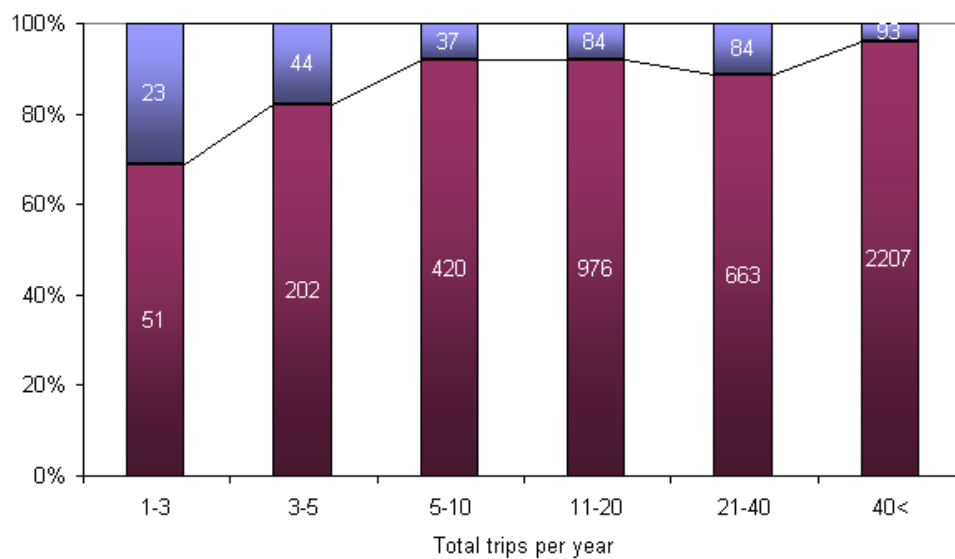


Figure 1. Trips paid for with FFP points, proportions and absolute numbers.

4.3 Strategies for gaining points

As outlined earlier, the purpose of FFPs is to make air travellers loyal. A prerequisite to achieve this is that air travellers can freely choose airlines and that bonus points can be kept for private use. This is confirmed by the results of the survey: 71% of the respondents reported that they decided themselves which airline to use, while the reminder had to follow company policy, or did not select and book flights themselves. An even higher share of air travellers (87%) stated to be allowed to use FF points earned through business travel for private purposes. In Scandinavia, public sector employees are not allowed to use points earned through business travel for private purposes; for other travellers, free tickets are to be reported to the tax authorities as income in kind (SAS, 2008, cf. Hanlon 1999). However, because membership is personal, this is in both cases very difficult to control and anecdotal evidence suggests that it hardly ever happens (Skatteverket, 5.12.08). FFP could thus be seen as a consciously or unconsciously arranged transfer of company benefits to the air traveller, which should have repercussions for perceptions of the use of aircraft, as higher mobility, paid for by the employer, will eventually influence mobility patterns. Through FFPs, additional costs may accrue to companies, as one third of the respondents declared FF points to be the main reason for choosing a certain airline, i.e. price is not necessarily the focus of decision-making. There may, however, also be companies with lowest-fare or most sustainable choice policies.

Another question addressed specific strategies to gain additional bonus points, which was answered by 91 respondents (33% of the sample). More than half of them reported to use the same airline whenever possible. Generally, it appears to be more valuable for air

travellers to achieve high status in one FFP, rather than gaining bonus points within different bonus programmes. This can be explained by the fact that only high status guarantees access to different kinds of services, such as access to lounges, fast check-in procedures and upgrading. Two further strategies to gain points were mentioned by air travellers in the present study: first, to make payments with credit cards linked to the FFPs, and second, to fly more than necessary. 13 respondents mentioned the second strategy, corresponding to 14% of those with a strategy to earn additional points, or 4% of the whole sample.

5. CONCLUSIONS

The objective of this article was to discuss some of the implications of FFPs for mobility patterns, or, normatively speaking, whether FFPs can be seen as a mechanism generating additional air travel. At least two principal mechanisms reproducing mobility were identified: the creation of interest in highly mobile lifestyles through the real or perceived ascription of social status, as well as the provision of various tangible benefits provided by reward systems, including free mobility, access to lounges or upgrading. With regard to social status, FFPs have been shown to discursively interlink high mobility and social status. The importance of this may however lie as much in the ascription of status to frequent flyers as the assignment of anti-status to less frequent flyers. This may reinforce interest in FFPs and high mobility, particularly when traveller identities are built on highly mobile lifestyles.

Regarding tangible benefits, three advantages may be of particular importance in reproducing mobility, i.e. free mobility, access to lounges, and the upgrading from economy- to business- or first class, both “paid for” with bonus points. Furthermore, an indirect contribution to the reproduction of mobility is made by frequent flyers with strategies to earn additional points. In the sample of frequent flyers presented in this article, one third (33%) stated to have specific strategies to earn bonus points, with 4% of the overall sample reporting to fly more often than necessary. These results indicate that a considerable share of the flights by the air travellers in the sample have been made because of the existence of FFPs.

Both processes are likely to reinforce mobility patterns. However, while it is unclear which share of *additional* flights is made because of bonus programmes, a considerable share of flights (7.5% in the case study presented in this article) is actually *paid for* with bonus points. Economic theory suggests that the consumption of a good or service increases with declining prices, and it can thus be assumed that FFPs lead to additional mobility, particularly since bonus points may often have been earned through business travel while they are spent privately, also on family members. Notably, findings suggest that in particular the mobility of less frequent flyers increases, if measured as a percentage of total flights made. Upgrading may increase interest in high mobility, as it makes flying more comfortable and thus more desirable. All of these aspects suggest that FFPs lead to greater emissions from aviation.

In concluding the paper, various implications for the sustainability of aviation could be outlined. Air travel and highly mobile lifestyles may now be routine, but only for a small share of humanity. Emissions caused by air travel appear to be driven by a small

percentage of highly mobile air travellers. FFPs are an important mechanism in this process, as they reward air travellers with additional, free mobility. As the aviation sector is likely to interfere with post-Kyoto emission reduction goals, the role of FFPs in reproducing mobility deserves greater attention. As the results in this article indicate, frequent flyers will often have per capita emissions at least an order of magnitude greater than the global average, and their contribution to global climate change is thus crucial. The findings presented in this paper would call for a greater recognition of socio-cultural factors or mobility drivers in designing global mitigation strategies.

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^f An extended version of this paper has been submitted to Environment and Planning A.

Flying for a buck or two: Low-cost carrier in Australia and New Zealand

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Abstract

Over the past few decades, the traditional aviation market has seen significant developments. Traditional “legacy” carriers have been challenged by new no/low-frills, low cost carriers (LCCs). While these new airlines have a relatively long history in North America, they successively emerged in markets such as Europe, Asia, Oceania and Africa. The business model of LCCs has revolutionized air travel, and both media and academics paid ample attention to these in America and Europe. However, academic literature pertaining to the development of LCCs in Australia and New Zealand is scarce. Thus, this paper offers a brief history of LCCs in this region, and compares the business models of LCCs currently operating in and between Australia and New Zealand. The paper concludes that LCCs in this region differ from American and European LCCs, in part due to the geography of the countries. The main differences are the levels of in-flight service, and the fact that

Australian and New Zealand LCCs operate on longer distances, such as coast-to-coast domestic flights in Australia, trans-Tasman flights, and flights to the South Pacific islands, and increasingly to Asia.

Keywords: low Cost Carriers, airline competition, air transport and tourism, Australia, New Zealand

Introduction

The business idea of low cost carriers (LCCs) has revolutionized the international aviation market. Almost all of the world's newly founded airlines are touted as low cost carriers, to signal to potential customers the prospect of less expensive air travel. The emergence of low cost carriers has transformed airline industries all around the world. Liberalized market structure policies and a general growth in aviation fostered the start-up of several low-cost airlines worldwide. As presently witnessed in South America, India, the Middle East and also Australia and New Zealand, these new airlines take on the so called legacy carriers that have built up complex personnel and cost structures over many years of protection by regulatory regimes inviting such developments. Hence, start-up carriers do not find it difficult to enter the market on the strength of lower costs, especially regarding administrative expenses and personnel. Put differently: Today, a newly established carrier is generally a "lower cost" airline, not necessarily a "low cost" airline.

In the past years throughout North America and Europe, carriers launched as low cost carriers were mostly able to establish themselves quickly in the market due to the inflated cost structures of their traditional competitors. In addition, changes in consumer preferences favoured these low cost carriers. Generally, consumers had fared well with discount products in other markets (e.g. last minute travels, electronic products, hotels). However, in North America and Europe (for the most part) incumbent carriers have been able to come to grips with attacks from a host of start-up airlines, successfully resorting to cost cutting schemes that would bring about a reduction of much of the initial differences in costs and, in turn, prices. Today, consumers opting for traditional airlines, are generally able to purchase cheap tickets, usually by taking advantage of offerings of unsold seats available from the airlines' homepages.

The USA and Europe already established low-cost airlines in the 1970's and 1990's, respectively. The low-cost industry in Oceania (including Australia and New Zealand) has not been widely developed until the beginning of this century, but has shown dramatic growth ever since, which is why today the low cost market accounts for 12% of the total flight activity in the Asia/Pacific region (including China and India), compared to 22 % in Europe and 18 % within North America. Figure 1 illustrates the rapid growth in Oceania, from 136 weekly low-cost flights in 2000 to 1,340 weekly flights in 2003, an increase of 885%. This enormous growth slowed in the past few years, but there was still an increase of 199% from 2003 to 2005.

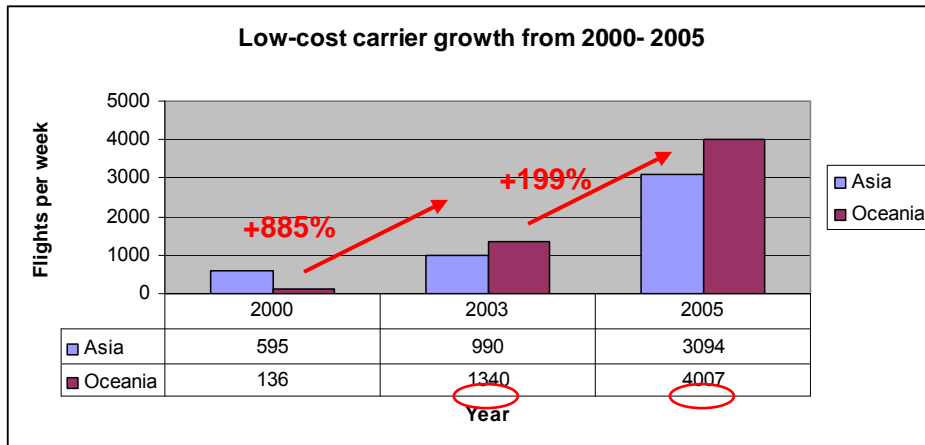


Figure 1: Low-cost carrier growth from 2000 – 2005

Source: Boeing 2007

Aim and methodology

The aim of this paper is to carefully examine the different low cost carriers already having entered the markets in Australia and New Zealand, and to give an outlook on possible future developments. Low cost carriers have been largely analyzed and controversially discussed in the press and among economists and scientists. Studies specifically related to low cost airlines in Australia and New Zealand are scarce, and in Europe mostly unheard of. Thus, this paper examines the business model of each carrier, employing a business model analysis contrasting the characteristic criteria of low cost carriers in Europe and Australia/New Zealand.

This study is based on a market and business model analysis using primary and secondary sources. The secondary sources are mostly freely available data and information from newspaper and trade journal articles, studies of organizations, consulting companies and banks, field reports of private persons and journalists as well as publications and websites of the various airlines.

A business model is the description of the way in which a company, a corporate system or an industry creates value on the market. This requires answers to questions such as (Bieger/ Agosti, 2006):

- Which benefits arise for which customer (groups) (product/service concept) and how is this benefit communicatively anchored (conveyed?) in the relevant market (communication concept)?
- How are the revenues generated (revenue/pricing concept), and which growth concept is pursued (growth concept)?
- Which core competencies are necessary (competence configuration)?
- What are the strategic factors for success?
- How is the business model implemented regarding the different processes and the marketing mix?
- Which cooperation partners are selected (cooperation concept, e.g. airports)?

The Aviation Profile in Oceania

Significance of Tourism and Air Travel

Market liberalization policies have enabled continued economic growth in Australia and New Zealand in the last ten years. Travel and tourism have become key economic drivers for both the Australian and the New Zealand economies. In Australia, tourism directly employs 5.6% of the workforce, contributes 3.7% of the GDP and is worth around 11% of exports. In New Zealand, tourism directly or indirectly employs 9.8% of the workforce, contributes 9% of the GDP and 18.7% of New Zealand exports (PhoCusWright 2007).

Oceania's population is spread over a relatively large area of land and sea, which is why people rely heavily on aviation to get from place to place. Especially in Australia, with many regions being remote and desert, flying is the most convenient transport option for reaching many parts of the country. Table 1 substantiates this fact by comparing the approximate travel times from Sydney to other major cities by the different means of transport. In addition, LCCs do not have to compete with, for example, a high speed rail network.

Table 1: Travel times from Sydney to other major cities in Australia

	Air	Rail	Coach
Canberra	0.45	4.00	5.00
Adelaide	1.40	25.00	22.00
Brisbane	1.20	15.00	15.00
Darwin	5.00	-	92.50
Melbourne	1.10	10.00	14.00
Perth	4.00	65.00	56.00
Hobart	2.05	-	-

Source: Allo' Expat (2009)

New Zealand has been Australia's number one source market since 1999. In the year ending September 2008, Australia received 1,000,417 visitors from New Zealand, which was the largest source of visitors, followed by the United Kingdom (637,943), Japan (458,428) and USA (432,364) (Tourism Australia 2008a). Australia is New Zealand's largest and steadily increasing inbound tourism market. In 2008, almost 40 per cent of all arrivals originated in Australia, amounting to a total of 969,099 visitors, which is an increase of 2.5% from the previous year. In the future visitor arrivals are expected to rise on average by 4% annually (from 2008-2014) (Tourism New Zealand 2008).

The tourism trends observed in Australia and New Zealand are broadly similar. The trans-Tasman aviation route (between New Zealand and Australia) is Australia's and New Zealand's busiest in terms of capacity and frequencies (Table 2). Seat capacity peaked in 2005, following the entrance of Emirates, Jetstar and Pacific Blue. Air New Zealand remains the dominant airline on the trans-Tasman route (42%). Qantas operated around

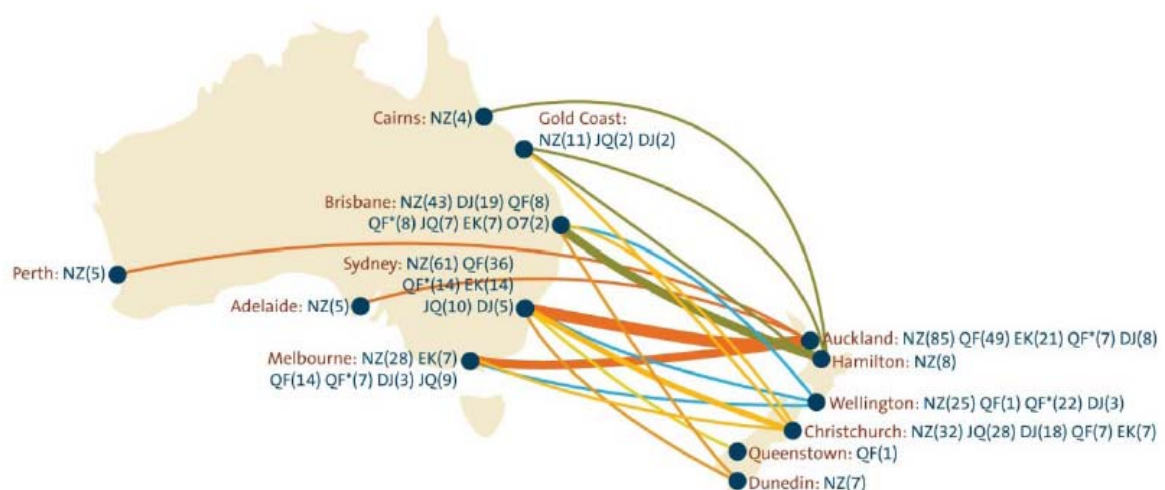
19% (including services operated by JetConnect, a subsidiary of Qantas) of all flights in 2007, Freedom Air 9%, Pacific Blue 8%, and Jetstar 6%.

Table 2: Trans Tasman Aviation Market Share 2007

Airline	2003	2004	2005	2006	2007
Air New Zealand	37%	36%	40%	42%	42%
Qantas	33%	28%	25%	21%	19%
Emirates	3%	7%	8%	9%	11%
Freedom Air	18%	15%	13%	10%	9%
Pacific Blue	0%	6%	7%	7%	8%
Jetstar	0%	0%	0%	6%	6%
Other	9%	8%	7%	5%	5%
Total	100%	100%	100%	100%	100%

Source: Tourism Australia 2008b

“Qantas and Freedom Air both lost market share to the relatively new entrants Pacific Blue, Jetstar and Emirates. In 2007, direct capacity on the New Zealand-Australia route fell 6% year-on-year, while load factors increased 8 percentage points. Capacity reductions were led by the Air NZ group (with Freedom Air down 18%) in early 2007 and the suspension of Qantas’ Auckland-Adelaide services in July 2007. Jetstar and Pacific Blue were the only two carriers to increase capacity on this route in 2007.” (Tourism Australia 2008b).



Key: NZ = Air New Zealand, QF = Qantas (including its subsidiary *JetConnect), DJ = Pacific Blue, EK = Emirates, JQ = Jetstar

Figure 2: Direct services across the Tasman Sea

Source: Tourism Australia 2008b

Airports in Australia and New Zealand

Australia has a good complement of airports, both international and domestic, as well as many smaller, regional terminals (88 airports in total).¹ With each state capital including at least one major international airport, all important urban centers have been made easily accessible. Sydney's International Airport is Australia's premier airport (Figure 3), with approximately 30 million passengers arriving and departing from this airport every year. It accounts for 45.4% of total international passenger movements, 23.4% of total domestic movements and 18.9% of total regional passenger movements. In 2007-08 all Australian airports recorded increases in passenger movements compared to 2006-07 (BITRE 2008b).

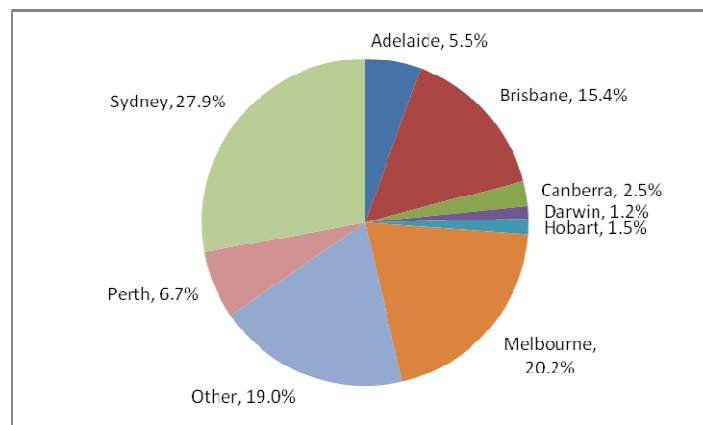


Figure 3: Airport Shares in Air Passenger Movements 2005-06

Source: BITRE 2008b

New Zealand offers a total of 36 international and domestic airports. Auckland airport, New Zealand's largest and busiest airport based on total passenger numbers and cargo, serves approximately 70% of the international arrivals and departures. Airports in Wellington, Dunedin, Queenstown and Christchurch also receive flights from other countries. Wellington International Airport is a major domestic hub in the regional and national transport system, as well as providing international services to Sydney, Melbourne and Brisbane (Tourism New Zealand 2009).

The Emergence Of Low Cost Carriers In Australia and New Zealand

Over the past four decades the passenger aviation industry has been subjected to several waves of innovations. Three very important innovations are the political liberalization in the 1970s and 1980s, the rise of LCCs, and the widespread application of the Internet. "Perhaps no international air travel market has been more radically affected by these innovations than the set of trans-Tasman routes linking the major cities of Australia and New Zealand. Few aviation markets are now so open to competition, including competition from airlines based in third countries. And the relatively short (three to four hours) and simple (point-to-point, with of course no stopovers en route) nature of product has facilitated the entry of low cost carrier services and encouraged the adoption by consumers of 'do it yourself' comparison shopping on the internet." (Hazledine 2008, p. 337)

The deregulation of domestic aviation in New Zealand commenced in 1983 and was completed in 1990 with the abolition of air services licensing. In 1986, New Zealand already allowed up to 100% foreign ownership of domestic airlines. Australia initiated the deregulation process in 1990 and successfully completed it in 1995. Prior to this, Qantas and Ansett dominated the market (Forsyth 2003). The deregulation of Australia's domestic airlines meant that flight services were getting more competitively priced (BITRE 2006; Francis et al. 2006; Statistics New Zealand 2009).

The majority of LCC development in the region has taken place on the trans-Tasman route, as well as domestically. Thus, this paper will focus on these areas.

Developments in the past years are characterized by airlines entering and withdrawing from the various international markets (Table 3). Some of the airlines were founded as low cost subsidiaries of traditional airlines (e.g. Jetstar by Qantas, and Freedom Air by Air New Zealand) in order to react to offers of emerging low cost carrier.

Table 3: Developments in the Australia/New Zealand low cost market (1990-2009)

Name	Country of	Year of	Start of	Withdrawal	Parent/holding
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	origin (base)	foun- dation	flight operations	from the market	company
Compass Airlines	Australia	1990	1990	1991	
Compass Airlines II	Australia	1992	1992	1993	
Impulse Airlines	Australia	2000	2000	May 2004	(acquired by Qantas 2001)
Virgin Blue	Australia	2000	2000	-	Virgin Blue Holdings Limited
Jetstar Airways	Australia	2003	May 2004	-	Qantas Airways
Tiger Airways Australia	Australia	March 2007	November 2007	-	Tiger Aviation
Kiwi Travel International Airlines	New Zealand	1994	1994	September 1996	
Freedom Air	New Zealand	1995	1995	March 2008	Air New Zealand
CityJet	New Zealand	1999	May 1999	November 1999	
K2000	New Zealand	2000		2000	Central Pacific Airlines
Pacific Blue	New Zealand	2003	2004	-	Virgin Blue

Source: own compilation based on airline websites (status: February 2009); Flight International (2008)

Important recent developments in Australia are the new entrants Virgin Blue, Jetstar, and Tiger Airways. Virgin Blue was founded in August 2000 and has grown into Australia's second-largest airline (by fleet size). Jetstar commenced flying in May 2004 on some trunk routes, and on some routes from secondary airports (BITRE 2006; Forsyth 2007). Qantas established Jetstar as a tool to antagonize the rise in the domestic Australian market of Virgin Blue (Qantas Airways 2007). Tiger Airways, a subsidiary of Tiger Aviation (partly owned by Singapore Airlines), entered the market in November 2007 with services in the Australian domestic airline market. The airline is based in Melbourne, with its main hub at Melbourne Airport and plans to establish a secondary hub at Adelaide Airport in 2009 (BITRE 2008b).

Pacific Blue was founded in 2003 and commenced operations mainly out of Christchurch. Pacific Blue is a subsidiary of Virgin Blue, and was launched in order to position itself as a low fare competitor to Air New Zealand and Qantas on trans-Tasman routes. In August 2007, Pacific Blue initiated services within New Zealand, and has remained a true low cost carrier. Although Pacific Blue is an Australian airline there are no capacity constraints

between the two nations, based on the current air services agreement. Carriers can operate unlimited services between the two countries (Ministry of Transport New Zealand 2007).

Components of the Business Model

A close look at the airline industry shows that there is a wide range of different implementations of the low cost strategy, and that the boundaries between traditional and low cost carriers are blurred. Despite the low cost concept being implemented by various low cost carrier at different levels of intensiveness, and by means of different tools and concepts, it is possible to establish a common basic business model for low cost carrier (Figure 4). The many configuration opportunities of the single business components will be analyzed further for the airlines which operate within Australia and New Zealand, and/or offer trans-Tasman flights. Subjects of procurement and suppliers, as well as process management and marketing, and opportunities of their practical implementation will be pointed out.

Lean Management, i. e. lean and cost-efficient business management (concentration on core competencies and outsourcing). Alignment of **all** processes and activities on optimizing and reducing costs, with the exception of the sensitive security subject.

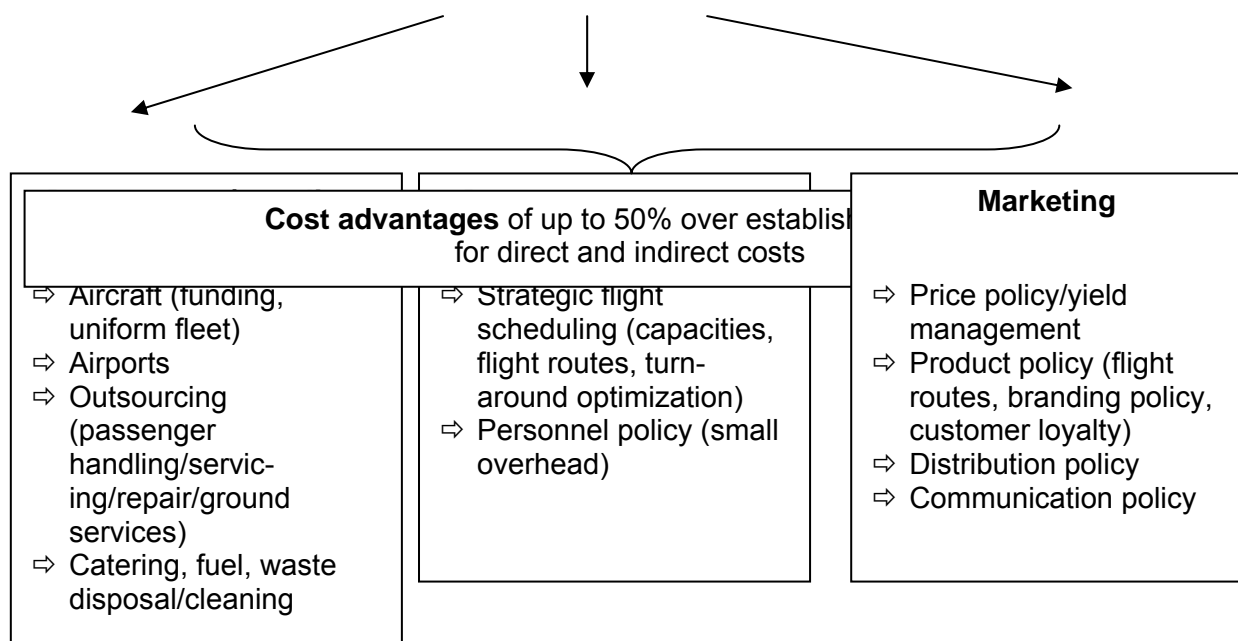


Figure 4: The business model of (European) low cost carrier

Source: Gross/Schroeder (2007, p. 34)

The central element of a low cost strategy is a continuous analysis and control of the most important costs within a company and an efficient asset management. Therefore the product, distribution and communication policies, in addition to the pricing policy, need to be considered.

Procurement

Aircraft

Aircraft can be procured through purchase or leasing of both newly-manufactured and used airplanes. To finance their planes and required technical equipment, low cost carriers mainly use the leasing option. An important factor for the success of the low cost segment in Europe was the opportunity to buy second-hand aircraft. In the aftermath of the worldwide aviation crisis following September 11th, 2001, many used airplanes were available on the international market at very low prices (Bjelacic 2004). LCCs in Australia and New Zealand often started operations with leased and/or owned second-hand aircraft. In some cases they operated aircraft of their parent airline's fleets (e.g. Jetstar, JetConnect, Pacific Blue). However, these airlines increasingly purchase brand new aircraft from the manufacturers, supported by good deals due to high order numbers. In some cases, the airlines sell their new aircraft to a leasing company, and lease them back. The trend to the purchase or lease-back of new aircraft results in young fleets, which has positive effects on the operating costs (e.g. fuel efficiency, reliability, maintenance cost).

Low cost carrier in Europe placed huge orders with manufacturers over the last few years. The airlines Ryanair, easyJet, Air Berlin, Flybe and Germanwings alone ordered more than 330 new airplanes in 2005 and enjoyed large discounts (Stirm/Schmidt 2005). Such discounts may be used by airlines to sell a certain number of the aircraft to leasing companies and lease them back. This would allow them to achieve a net profit of several million dollars per jet (Goettert/Schmidt 2005). More recently, bulk orders have also been noted by LCCs in Australia. For example, Qantas has confirmed that a total of 53 aircraft have been earmarked for its low cost subsidiary Jetstar (Business Day 2009). A uniform fleet of the same aircraft type leads to cost savings for personnel training and more flexible operational planning, as flight and technical staff are subject to identical qualification standards. This also allows cost savings in the field of maintenance and servicing, for example with respect to spare part stock management. However, disadvantages may arise due to dependence on a sole manufacturer (= supplier power). Also, flight scheduling

advantages for low cost carrier result from a uniform fleet, since the different performance features and capacities of various aircraft types need not be taken into account. However, any possible variation in demand is impossible or difficult to compensate due to rigid capacities. The use of uniform aircraft in Australia and New Zealand, such as B737-800 and A320, is noticeable with LCCs operating in the present market (Table 4).

Table 4: Fleet structure

Name	Number of aircraft	Number and type of aircraft	Different types	Orders
Virgin Blue	68	22 B737-700 28 B737-800 6 Embraer 170 12 Embraer 190	2 main types (2 sub-types each)	9 Boeing 737-800 6 Embraer 190
Jetstar Airways	34	31 A320-200 2 A321-200 6 A330-200	2 main types (2 sub-types)	53 A320-200 16 A321-200 1 A330-200 15 B787-800
Tiger Airways Australia	5	5 A320-200	1	2 Airbus A319-100
Pacific Blue	10	10 B737-800	1	-

Source: own compilation based on airline websites (status: February 2009); Flight International (2008)

Airports

Airports are an important element within the business model of European LCCs, since they provide the necessary infrastructure. Savings on fees are often directly negotiated between the airlines and the respective airport, and may include various quantity discounts or marketing grants.ⁱⁱ Although the negotiated fees do not allow all airports to cover their costs, they sometimes agree to the conditions dictated by a LCC because of the beneficial direct and indirect economic effects for the airport and the surrounding region. Experiences from LCCs in Australia/New Zealand are not known to the authors, but it is less likely that major airports will agree on concessions, given the increased demand by the LCCs.

Outsourcing, catering, waste-disposal, fuel

Since most low cost carrier do not have the required economies of scale, technical services such as maintenance and repair are outsourced to specialists who are able to carry out these jobs with greater cost-effectiveness, thus avoiding extra fixed costs for the airline company (Pompl 2007, Doganis 2001). Also, passenger handling and other ground services ("ground handling") are assigned to external handling agents. This allows LCCs to

drastically reduce station facilities and staff. It is therefore typical for LCCs in Europe to incur low costs for ground staff and office/waiting rooms (Doganis 2001). Some airlines have gone a step further by introducing automatic and/or Internet check-in procedures (e.g. Air Berlin, dba, easyJet, Germanwings). Check-in via mobile phone (e.g. Air Berlin via MMS-capable mobile) or SMS Seat Reservation has been introduced by some LCCs in Europe as well. Such measures would also be easy to implement for LCCs in Australia/New Zealand; however, it is not yet used by airlines to the same extent. In contrast, Jetstar's ground handling services are provided by its parent Qantas, and Tiger Airways contracts Singapore Airlines with maintenance services (Qantas 2008, Tiger Airways 2009).

Although catering included in the fare is mostly not offered by European LCCs, a selection of food and drinks is often offered for purchase. This does not only allow savings of catering costs, but generates additional revenue. Another positive effect is generated by reduced turnaround times of airplanes, since less time is needed for loading. In addition, catering is not complimentary on most Australian/New Zealand LCCs, with the exception of Jetstar, which includes food and beverages in its StarClass fares (Table 6). Cost savings are also achieved by LCCs in Europe with respect to waste collection and cleaning inside the cabin, since these services are partly undertaken by cabin staff, thus saving costs for external ground-handling contractors. Such cleaning duties could also be undertaken by the cabin crew on flights in Australia/New Zealand.

Process Management

Strategic Flight Scheduling

The established airlines focus on network-based structures while European LCCs concentrate on point-to-point operations between passenger-intensive economic centers. Airports are mainly offered in parallel markets, i.e. cities with several airports which are not yet being served by competitors, or secondary airports near larger economic centers (Pompl 2007). Because they use mainly secondary airports with no capacity restrictions, and without congestion, LCCs usually do not have problems in obtaining slots. Table 5 provides an overview of the LCCs in Australia/New Zealand, the network configuration and their destinations and routes.

Table 5: Destinations, routes and network configurations (February 2009)

Name	Destinations 2008	Network configuration
Virgin Blue	49 (27 Australia, 4 New Zealand, Vanuatu, Cook Islands, Solomon Islands, Fiji, Tonga, Samoa, Papua New Guinea, Indonesia)	point-to-point, connecting flights, feeder (V Australia)*
Jetstar Airways	34 (22 Australia, 2 New Zealand, 9 Asia, 1 North America)	point-to-point, feeder (Qantas)
Tiger Airways Australia	28 (11 Australia, 17 Asia)	point-to-point, connecting flights
Pacific Blue	c.f. Virgin Blue	c.f. Virgin Blue

* starting March 2009

Source: own compilation based on airline websites (status: February 2009); Flight International (2008)

While Jetstar offers point-to-point services only, Virgin Blue, Pacific Blue and Tiger Airways also offer connecting flights. Virgin Blue/Pacific Blue provide connections to Hawai'i, and within Australiaⁱⁱⁱ, New Zealand and between both countries (connecting flights from Virgin Blue and Pacific Blue). Virgin Blue and Hawaiian Airlines signed an interline agreement, which "will enable travel agents to issue a single ticket for travel on both airlines, from anywhere in the Virgin Blue network to anywhere in the Hawaiian Airlines network. It will also enable Hawaii-bound passengers around Australia to check their luggage all the way to Honolulu when they check in for their Virgin Blue connecting flight." (Virgin Blue 2006). New Zealand and Australia do not have many secondary airports, which makes competition with the traditional full-service airlines more difficult as LCCs have to utilise the same primary airports. In several cases, Jetstar has chosen "(...) to avoid head to head competition on routes with Virgin Blue and its parents, Qantas, by flying from a secondary airport." (Forsyth 2007, p. 92). In contrast, Virgin Blue serves primary airports and competes directly with Qantas.

As far as flight distances are concerned, LCCs in Europe have mostly confined themselves to short and medium distance flights with a maximum flight time of approximately 2.5 to 3 hours, in order to achieve a large number of daily rotations. Since direct operational costs per seat-kilometer decrease as the flight distance increases, short-distance flights are characterized by an unfavorable relation of ground time to flight time and thus not economical (Sterzenbach/Conrady 2003). In order to compensate for the disadvantages of relatively short flight distances, LCCs maximize aircraft turnaround times. Optimization of the cost-intensive production factor aircraft is achieved through short turnaround times

(under 30 minutes), quick boarding and no seat assignment, a one-class system (i.e. no separate boarding of business and economy class passengers), no guarantee of connecting flights and consequently no time-critical transfer luggage, no cargo transport and abandonment or reduction of catering (thus, catering containers have to be exchanged less frequently, or not at all). This system allows LCCs in Europe to keep their aircraft flying up to twelve hours per day and to achieve higher frequencies between two destinations.

LCCs in Australia are challenged with a different set of environmental conditions, compared to LCCs in Europe. Due to the size of the country and its geographical conditions, routes tend to be much longer compared to the routes of European LCCs. Thus short “turnaround” times and “no-frills” (some frills must be maintained on longer flights), important determinants for cost benefits, tend to become less manageable.

Personnel Policy

Due to their concentration on core competencies and related outsourcing operations, European LCCs managed to downsize their workforce to a minimum. Owing to limited onboard services, less in-flight cabin staff is required. Since most of the LCCs have been on the market for a relatively short period of time, and given the fact that they hired staff during economically difficult times and unions rarely had a say, it was possible to achieve low-pay agreements with longer working hours. Other factors which contribute to cutting costs are the maximum utilization of permitted working hours within the legal limits, avoidance of voluntary social charges (such as holiday allowance or Christmas bonus), as well as flight operation with minimum staff. As far as labor contracts are concerned, different national legal regulations are applied in order to employ staff with the most benefits accruing to the LCCs. Employees of Ryanair, for example, are offered contracts subject to Irish employment law, so that employee rights are greatly restricted in comparison to, for example, German ones (Bjelcic 2004, Goettert/Schmidt 2005).

Marketing

Product policy

The traditional distinction between different booking categories (classes) is not applied by most European LCCs. Australian/New Zealand LCCs generally offer two classes (one standard economy, and one premium class), with the exception of Tiger Airways (Table 6). Virgin Blue is now promoting a more differentiated “New World Carrier” strategy, a business plan which is aimed at the contemporary business traveller. In this regard Virgin Blue Airlines recently launched Australia’s, first “Premium Economy” product (Centre for Asia Pacific Aviation 2008).

Seat density, which is a product feature, is determined according to principles designed to optimize revenue. Tighter seating (typical seat pitch is 29-30 inches instead of the usual 31-34 inches with traditional airlines) leads to a restriction of product quality, while allowing an increase in transportation capacity. Consequently, costs per seat and flight prices drop and the priority service feature desired by customers is achieved (Sterzenbach/Conrady 2003). Virgin Blue, Pacific Blue, and Jetstar offer a seat pitch of at least 30-31 inches on their newer airplanes, which is a comparatively large seat pitch for a LCC (Table 6). Virgin Blue, Pacific Blue and Polynesian Blue have a so-called “Blue Zone”. For an additional charge (\$AUD 25-45), passengers can pre-reserve an extra roomy over-wing exit row seat on Virgin Blue’s Embraer E190, and Virgin Blue, Pacific Blue and Polynesian Blue Boeing 737 aircraft. The “Blue Zone” seating offers the equivalent of a 39 inch seat pitch.

Table 6: Service classes, price discrimination and range of services (February 2009)

Name	Service Classes (number and name)	Price discrimination (fare name)	Seat Pitch	FFP	Inflight entertainment	Range of services (e.g. catering)
Virgin Blue and Pacific Blue	2 <ul style="list-style-type: none"> Premium Economy Standard Economy 	<ul style="list-style-type: none"> Go! Fare Blue Saver Flexible Corporate Plus Premium Economy 	<ul style="list-style-type: none"> Premium Economy 33+ inches (84 cm) Standard Economy 31-33 inches (78-84 cm) 	Velocity Rewards (with partner National Australia Bank offer of a companion credit card)	monthly in-flight magazine, Live2air in-flight entertainment (24 live channels; \$4.95 short flights, \$9.90 longer flights; advertising channel and flight track channel free of charge), on international flights digEplayer (blockbuster movies, TV shows, music for a hire fee of \$15)	not complimentary
Jetstar Airways	2 <ul style="list-style-type: none"> Economy StarClass 	<ul style="list-style-type: none"> JetFlex JetSaver JetSaver Light StarClass 	<ul style="list-style-type: none"> StarClass 38 inch (96,5 cm) Economy class 30-31 inches (76-78 cm) 	Qantas' FFP for StarClass, and to a limited extent in Economy	<ul style="list-style-type: none"> - StarClass: Video on Demand Unit and headset (movies, TV programs, music videos) - Economy class: limited quantity of Video on Demand units available for hire; several screens along the aisles which will show films and TV programs; passengers can purchase reusable headsets; audio programs 	Economy class: not complimentary StarClass: complimentary
Tiger Airways	1 <ul style="list-style-type: none"> Economy 	<ul style="list-style-type: none"> Internet Discounted Fare Regular Fare 	28,5 inches (72,5 cm)	not available	quarterly in-flight magazine	not complimentary

Source: own compilation based on airline websites (status: February 2009); Flight International (2008)

Seat density describes the total actual number of seats of an aircraft, compared with the total number of seats possible (as per manufacturer). The total maximum capacity at which the airline operates the aircraft is calculated as a percentage. Table 7 shows that the

airlines operating with 100% capacity are Jetstar and Tiger Airways. Surveys show that successful LCCs in Europe (e.g. Ryanair, easyJet, FlyBe.com) have similar seat densities. A study by Edwards (2008, p. 7) argues “that FSCs operate their aircraft at as much as 33% less than the maximum capacity levels employed by the highest-ranking LCC.”

Table 7: Seating density (February 2009)

Name	Aircraft Types	Total number of this aircraft in fleet	Number of Seats on Aircraft	Maximum seat capacity for aircraft type	Percent of max. seat capacity
Virgin Blue	B737-700	22	144	149	97
	B737-800	28	180	189	95
Jetstar Airways	A320-200	31	177/180*	180	98-100
Tiger Airways Australia	A320-200	5	180	180	100
Pacific Blue	B737-800	10	177/180	189	94-95

* 177 passengers within Australia and New Zealand and 180 passengers on intra Asia flights

Source: own compilation based on airline websites (status: February 2009)

Frequent flyer programs are part of the standard services offered by traditional airlines. Since cost reduction is given priority by LCCs and those programs involve high administration costs, most European LCCs have not yet introduced such programs (exceptions are, for example, Air Berlin, TUIFly or Germanwings). In contrast, all LCCs in Australia and New Zealand operating within the domestic market (with the exception of Tiger Airways) offer an own frequent flyer program, or participate in an external scheme (Table 6).

Pricing policy

Since the feature of “low fares” is by far the most important feature for consumers, pricing represents the most powerful marketing instrument for LCCs in Europe, while being a long-term factor for customer loyalty. For pricing, LCCs use a mixed calculation, i.e. the average ticket price determined by cost accounting procedures (fixed and variable costs for a certain occupancy rate) serves as a basis for the offered prices. Flights are sold at different prices,

with some of the tickets being distributed at a loss, which in turn is compensated for by the high-priced tickets. In contrast to traditional pricing policy, a time-related price discrimination is implemented through penetration pricing.

At first, low base prices (initial prices) corresponding to the strategic pricing policy aims are determined, i.e. market-orientated pricing based on competition and demand is undertaken. These base prices are communicated to the consumers in order to encourage them to book early. In contrast to “last-minute prices”, which are perceived by customers as being reduced as time goes on, thus increasing the occupancy risk, this price system conveys to the customer the idea of a “price guarantee”, i.e. there will be no cheaper prices for a certain flight at a later point in time. As booking goes on, pricing becomes more cost-orientated and prices increase as the departure date draws closer. There may be a constant increase in prices, or prices may be adjusted according to the revenue management parameters (e.g. booking details from the past, prognostics or price flexibilities) and the actual booking situation.

Consequently, LCCs practice a dynamic and flexible pricing policy with a mixture of cost- and market-orientated elements. In a first step, a specific low-price contingent is determined. Its size varies from one airline to another, comprising between 10% and 70% of the offered seats, averaging 20-30% (Ramm 2002). When this contingent is sold, prices increase in steps and may reach, or even go beyond, the prices of traditional airlines.

The pricing of LCCs in Australia and New Zealand is less transparent. However, fares appear to be set by LCCs to match competitors' fares, and often undercut these. At the time LCCs in Europe emerged, there was typically one single price for a certain flight at a certain point of time. During the last few years this system has softened, and today, carrier like TUIfly, germanwings and Air Berlin offer true low fare tickets and flexible fares with significant price differences (TUIfly: Smile fare and Flex fare, germanwings: Basic and FlexPlus, Air Berlin: Spar and Flex). Most LCCs in Australia and New Zealand also offer different fares with specific terms and conditions, as illustrated in Table 6.

Distribution policy

LCCs in Europe sell their services through few distribution channels, mainly directly through the Internet or booking machines (direct self-distribution) or through their own centralized call centers established at cost-competitive locations. More savings of distribution costs are achieved by issuing tickets together with the boarding pass, and by using electronic tickets. Printing and material costs are even shifted onto the passengers (e.g. print-out of tickets/boarding passes). The collection of payment, which has traditionally been through intermediaries or special accounting agencies (e.g. Airplus), is practiced cost-effectively through credit and debit cards, creating a positive impact on the LCCs' solvency situation (Pompl 2007). Virgin Blue and Tiger Airways, for example, have an effective distribution model: over 90% (Virgin Blue) and 85% (Tiger Airways) of tickets sold are via the Internet (InvestSMART 2009, Tiger Airways 2009). In comparison to Europe, all LCCs in Australia/New Zealand are bookable via GDS, and some via intermediaries (such as Expedia), as illustrated in Table 8.

Table 8: Method of booking/Check-in Services

	Method of booking	Check-in
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	Internet	Call centre	GDS	Intermediaries	Online free seat selection	Online chargeable seat selection	Telephone	Self-Service Kiosk
Virgin Blue	✓	✓	✓	✓	✓	N/A	N/A	✓
Jetstar Airways	✓	✓	✓	✓ (under Qantas flight number)	✓	N/A	N/A	N/A
Tiger Airways Australia	✓	✓	✓	N/A	N/A	✓	N/A	N/A
Pacific Blue	✓	✓	✓	✓	✓	N/A	N/A	✓

✓ = Airline offers service (in at least one area of its operations), N/A = service is not available

Source: Own compilation based on airline websites (status: February 2009)

Communication policy

The communication policy is designed to inform (potential) customers about the available services offered by a LCC. Public relations work is partly carried out through spectacular campaigns, helping LCCs attract great public interest and gain free publicity. Sales promotion should be considered in close relationship with this. This includes enabling of both self- and third-party distribution channels, while it is also directed towards the end consumer. European LCCs run various sales promotion campaigns such as the sale of tickets at a symbolic price (e.g. for one cent) or giving away tickets free of charge. Furthermore, communication is practiced through intensive advertising addressed to the end consumer. Advertising is focused on the price, in which the net price is mentioned most of the time. Any extra charges such as general taxes, handling or safety duties, and fuel taxes are charged separately and not mentioned at all or only as a footnote in advertisements. LCCs prefer advertising in daily newspapers ("daily prices need a daily press"). The communication concept incorporates both classical advertising through selective presence in relevant markets and the use of modern information technologies. But there are also innovative approaches which are being followed by low cost airlines. On British TV there is, for example, a documentary series run by easyJet ("Airline"), which is about the life of passengers and staff of the airline. After it had reached an audience of 75 million viewers in the UK, it was sold to other countries (e.g. New Zealand, Australia, Japan). In addition to corporate behavior and corporate communication, the corporate identity encompasses the external image (corporate design), including, the branding of aircraft. LCCs use the fuselage to communicate booking phone numbers (easyJet) or Internet domains (volare.web).

The stated communication instruments can also be implemented by airlines in Australia and New Zealand. Jetstar, for example, pursues innovative approaches in their communication policy with its own TV series ("Going Places"), is the major sponsor of the National Rugby League team (the Jetstar Gold Coast Titans), and the Australian program "The Morning Show". The use of airplanes as advertising space for third companies was, for example, put into action by Jetstar (pizza advertisement). Jetstar also provided sponsorship to AFL matches held in Tasmania, was a corporate partner of the Geelong Football Club's football

volunteer program, and is a major supporter of the Tasmanian Symphony Orchestra and its school education program (Qantas 2008).

Conclusion

The LCCs in Australia and New Zealand are another example of the worldwide trend towards airlines offering heavily discounted fares. The local airline market has initially been dominated by the national airlines Qantas and Air New Zealand for many years. However, after some unsuccessful initial attempts, the last decade has witnessed a major restructuring. The former duopoly of Qantas and Air New Zealand was stirred up by the emergence of LCCs, significantly lowering fares. These discounted airfares have generated additional competition, providing greater deals for consumers. This has made travel more attractive and will further accelerate the positive growth rates in the tourism industries in Australia and New Zealand. In a liberalized and more competitive environment the new LCCs achieved significant market shares of the region's aviation industry in just a few years.

Having started as a low complexity, low cost airline, Virgin Blue evolved into a highly integrated air services provider. It benefits from a highly competitive cost structure, a modern and efficient fleet, flexible workplace arrangements and an effective and streamlined distribution model. It established a comprehensive domestic network with connectivity, great flight frequencies, a loyalty programme, lounges and other customer services, and already launched two international joint ventures. Pacific Blue is acting on the New Zealand market, whereas Polynesian Blue operates to/from the Pacific islands. Tiger Airways remains the only "real" no-frills airline (e.g. one aircraft model, one booking class, no services included, no in-flight entertainment except of an in-flight magazine).

The future development of the low cost business is expected to generate further demand on the trans-Tasman route as well as increasing international outbound travel to other countries worldwide. Many LCCs have already altered airline strategies, offering long-haul routes to Asia and North America. It is evident that the airline market in Australia and New Zealand has significant growth potential. However, the fierce current competition means it will be very difficult for new entrants in this industry.

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A Vital Link at the end of the chain: Buses in UK tourist destination areas

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ABSTRACT

Local bus services provide the best alternatives to car use in many tourist areas, but often fail to attract motorists. This paper examines the findings of 20 surveys of British bus passengers in rural tourist areas to identify common trends and recommendations for improvements. It finds that there is considerable evidence that bus services can contribute to car use reduction, social inclusion and local spending, but that, in many ways, their value is not recognised. They are often poorly funded, marketed and not integrated with other modes of transport or visitor activities. It recommends a more systematic approach to evaluating the costs and benefits of these bus services, which may have increased value during a recession.

Keywords: UK, buses, tourist, spending, sustainability, rural

1. INTRODUCTION

Leisure accounts for 26% of domestic surface trips and 39% of distance travelled in the UK and most of this is by car (Department for Transport, 2008). In many cities, bus services are being enhanced to encourage modal shift from cars to buses to reduce congestion and the environmental impact of personal travel, particularly commuting. Modal shift from private to public transport is often seen as less likely in rural areas, where problems of parking and congestion are less apparent and thinly stretched public transport networks offer fewer advantages over the flexibility of the car.

Leisure bus travel can offer advantages over private cars for the traveller, removing the need to find parking, organise transport at both ends of a linear walk and allowing the driver to enjoy the scenery. For destination areas, buses can remove cars and their impacts (danger, noise, visual intrusion, pollution, etc) from sensitive areas of natural beauty, where they may threaten the very reasons that people are attracted to the area and as our surveys show, they can entice some people to choose destinations, which they might not visit without the presence of a bus route. Another important advantage of providing buses in

tourist destination areas is increased spending from bus passengers, which can equal, and in some cases, exceed that of car users.

2. LITERATURE REVIEW

Although most of the environmental impact of tourism relates to the journey to and from the destination area (Böhler et al., 2006, Peeters and Schouten, 2006, Hoyer, 2000), tourist and day visitor travel within an area also creates environmental problems, which can reduce the attractiveness of the area (Guiver et al., 2006). Visitors' car travel imposes noise, visual intrusion, air pollution, land-take for roads and parking, danger and disruption which also deters walking and cycling, often in sensitive natural environments (Reeves 2006). Modal shift from car to public transport within destination areas can help lessen these impacts and may reduce the need to use a car to reach the area.

In the UK, over 90% of visits to national parks (Reeves 2006) and 57% of day visits to the countryside are by car, while just 1% are by bus or coach (Natural England, 2005). With such a difference in the proportions using private and public transport, public transport can target car users who may be dissatisfied with using their cars or who might gain added benefits from using a bus in a tourist area. Leisure travel is discretionary and often choices of mode and destination are interconnected. (Guiver et al 2007). It can also offer intrinsic value as well as the instrumental value of reaching a destination (Page and Lumsdon, 2004). Thus, unlike utility bus travel which has to compete with private transport on speed and cost, leisure bus travel can be made more attractive through attention to the requirements of visitors to an area. Value can be added through interpretation and enhanced by making sure the drivers are welcoming and responsive to passengers' needs and anxieties about being in an unfamiliar area: elements of service which are more practised by hospitality than transport providers.

Bus travel frequently falls into the left-hand categories shown in Figure 1, but has potential to offer added advantages over car travel to some passengers.

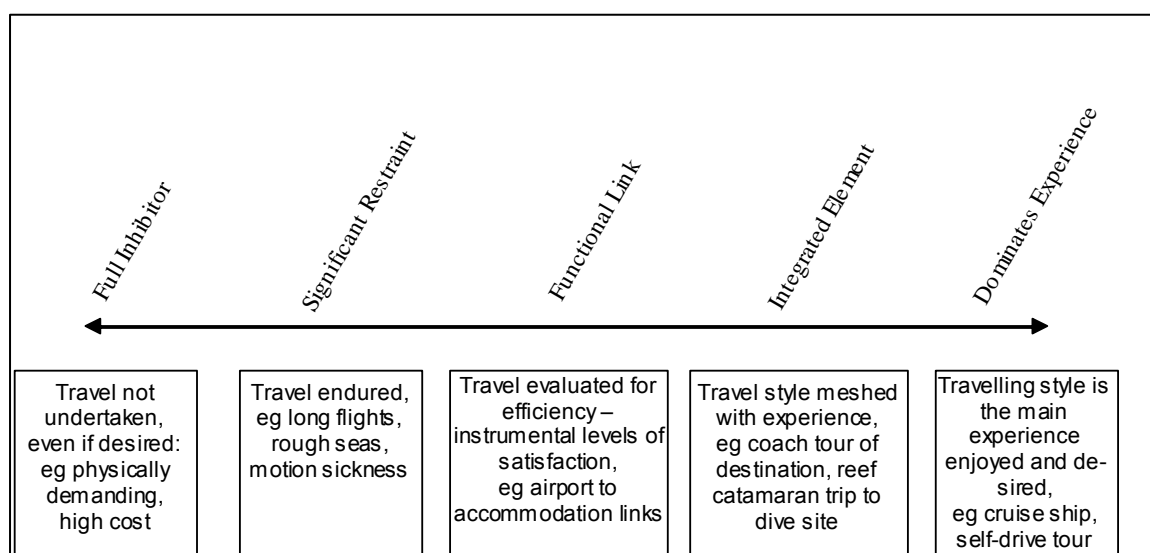


Figure 1 The Spectrum of Leisure Travel (Adapted from (Moscardo and Pearce, 2004))

This has been achieved in some places (Speakman, 2008), for example in Pembrokeshire, the network of easily recognised buses are well used by walkers doing linear walks along the coastal path (Pembrokeshire County Council, 2009). The Brighton open top bus service 'Breeze up to the Downs' is used by residents and visitors to reach local beauty spots (Brighton and Hove City Council, 2009) and the Brecon Beacons bus which takes bikes is used by cyclists wanting a lift to the high point on the Taff Trail, before cycling back down to Cardiff (Brecon Beacons National Park, 2009). Outside the UK, the Swiss post buses have succeeded in becoming a tourist attraction themselves (MySwitzerland undated) and MobiHarz project, (Hoenninger 2003) the Alpine Pearls (Verbeck and Bargeman 2008) are marketing their lack of cars as an attraction for the 'green' tourist market.

However, a number of barriers for potential passengers have been identified such as having numerous changes to reach a destination and the number of agencies involved (Verbeck and Bargeman 2008), making connections (Lumsdon 2006), short seasons, low frequencies, short duration of stay at destinations and sometimes a poor level of service delivery (Guiver and Lumsdon, 2006).

Encouraging the substitutions of car journeys by bus travel requires a number of decisions about how to allocate resources, such as whether to invest in frequency, comfort, marketing both for utility and leisure travel. When public money is involved and budgets stretched, providing leisure bus services is rarely a priority (Reeves 2006). There are no agreed criteria about how to monitor or measure the benefits of reducing car use, social exclusion or contributing to the local economy, so local authorities may use rules of thumb with the data they have available such as subsidy per passenger.

Unlike in urban areas, where improvements in bus services are often accompanied by measures to restrict car use by reducing road or parking space or increasing charges to use roads or parking, it has proved politically difficult to introduce restrictions or increased costs for car use in rural areas (Dickinson and Dickinson 2006, Cullinane 1997).

3. METHODOLOGY

A number of surveys have been undertaken by the Institute of Transport and Tourism in different tourist areas around the UK since 2005, producing data for over 5,500 passengers using tourist buses. While the surveys have differed slightly, depending on the clients' wishes, there have been a number of consistent questions which give us comparable data. Figure 2 shows the areas and years of the surveys. All were conducted on buses with a high percentage of passengers using them for recreation, either from their homes or holiday bases. Each survey aimed to find out whether the bus service was reducing car use, social exclusion and bus passengers' spending on the day of the survey. It also asked about whether the respondents were staying in holiday accommodation, for how many nights and how much this cost per person per night.

Much of the evidence for this review comes from common sets of questions used in each survey. One asked for passengers impressions of attributes such as frequency, driver's helpfulness; value for money, etc and the results from different areas indicate similar rankings of satisfaction. Another question asked "*If the bus had not been running today, what would you have done?*" with the following possible answers.

Table 1 Possible Replies to Question *If the bus had not been running today, what would you have done?*

(tick one square only)

☐ Stayed at home or holiday base

☐ Gone to the same place by

☐ car

☐ walked

☐ cycle

☐ train

☐ other

☐ Gone to a different place by

☐ bus

☐ car

☐ walked

☐ cycle

☐ train

☐ other

Each survey asked the respondents to return their completed questionnaires in a reply-paid envelope at the end of the survey day. While this undoubtedly reduced the response rate, it increased the accuracy of answers about the day's spending.

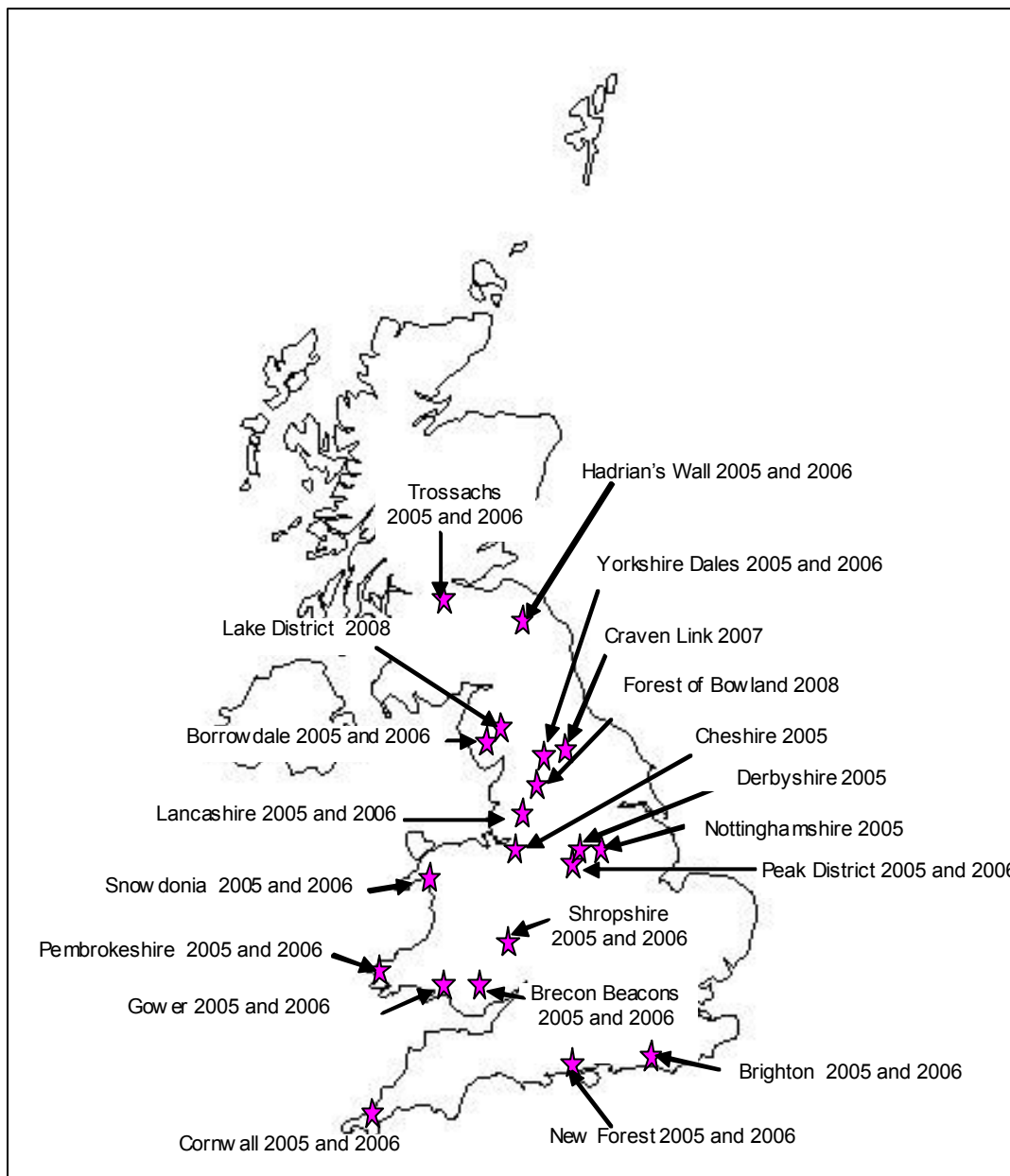


Figure 2 Areas and Dates of Surveys

In addition to analysing the answers to closed questions, we have qualitatively analysed the comments people added to their questionnaires. These give added insights into the experiences of bus passengers and their interpretations of the survey questions.

For a few of the surveys, we also conducted telephone interviews with a few survey respondents to explore how they decided to use a bus on their holiday or day trips and which choice sets they felt were available to them. These reveal the complexity of decisions, events and perceptions which lead to the choice of destination and mode of travel.

4. FINDINGS

4.1 The Passengers

The majority of passengers are over fifty and the percentage of people over 60 has increased in the later surveys as English residents over this age became eligible for free local bus travel in 2006 and free bus travel nation-wide in 2008. Earlier surveys recorded slightly higher numbers of female passengers, but this trend has been reversed in later surveys with almost equal or lightly higher numbers of male passengers. Most passengers are travelling alone or in pairs and only a few groups include children. The average Income tends to be lower than the national average, but with a large range. The percentage of passengers who said they did not have a car available to them on the day of the survey ranged between 71% and 46%. Again, the increasing use of these buses by older car owners availing themselves of free bus travel appears to have reduced the proportion of passengers without cars in later surveys. The proportion of people who are local residents or people from outside the area varies enormously according to the catchment area of the bus service and its destination. Some services had over 20% of their passengers from overseas and we know from surveyors' observations that many in this group do not complete survey forms. We have recorded passengers from over 30 countries with Germany and USA being the most common.

4.2 The trips

The main sources of information about the bus service are printed information, tourist information centres, bus stop information and word of mouth and many respondents look for and/or find information from two or more sources. In the 2006 surveys we included a question about the timing of decisions about the journey destination and mode of travel. 77% said they decided where to go before how they would travel. Figure 3 indicates that most of these journeys are planned at short notice.

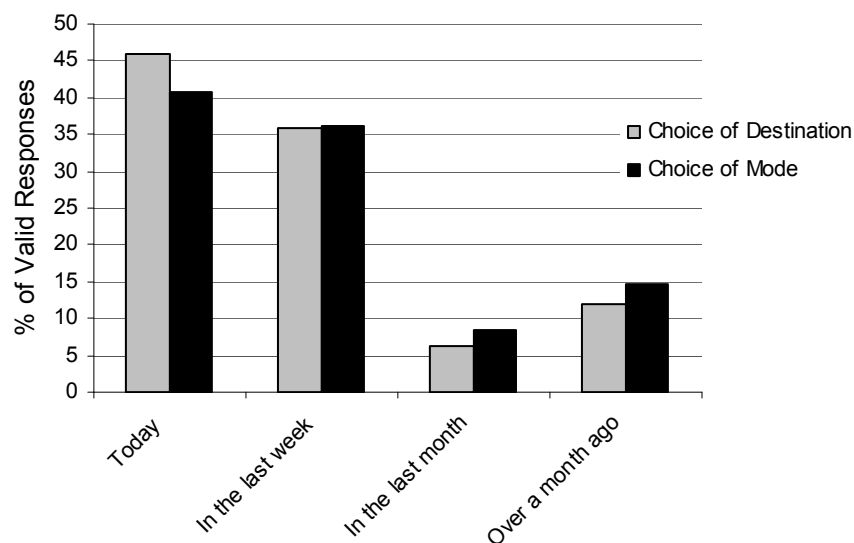


Figure 3 The Reported Timing of Decisions

In the same surveys, just over one third of respondents had never before used the bus they were travelling on, but another third had used it over five times in the previous year, the remaining third had used it a few times. This indicates that these buses need to cater for new passengers as well as more regular passengers. Most passengers set out between 9 and 11am and return between 4 and 6pm, which corresponds with hotel/guesthouse meal times. However, a major complaint is about there not being an early bus or not one after hotel/guesthouse breakfast times. The early return of the last bus, often at 4 or 5pm also irritates many passengers, particularly walkers who want to take advantage of the long hours of daylight in the summer. It also makes it impossible to have an evening meal at the destination. The most common mode for reaching and leaving the bus stop is walking, but other buses, cars, trains, boats and taxis are also used.

By far the most popular reason for taking the bus is to walk in the countryside, often to do a linear walk. Seeing the countryside from the bus is also important, although this is often not the main purpose of the trip. Other main purposes include visiting an attraction, shopping, getting to and from accommodation, while having a meal or drink out is a popular secondary purpose. These vary greatly with age, so that walking is most popular with people aged between 40 and 70, while the popularity of seeing countryside from the bus increases with age, peaking with people aged over 70, but shopping is most popular with younger and older age groups. People under 20 and between 30 and 50 are most likely to use the bus to reach accommodation. There is often a high proportion of 'other' trip purposes to do with personal business such as going to the dentists, bank, work, etc.

4.3 Opinions about the Services

In all the surveys, passengers were asked to rate at least seven attributes of the service: comfort, cleanliness, value for money, standard of driving, information, driver's helpfulness and frequency on a scale of five. Allocating numeric 'scores' to these (poor: 1, not very good: 2, OK: 3, good: 4, excellent: 5) allowed us to calculate average scores for each attribute and compare their ranking.

Satisfaction is usually high, rarely dropping below an average of 3.5, except for frequency. Older people, women and car owners tend to give higher scores than others, so the total satisfaction for a service can reflect the composition of its passengers as well as its performance.

Some consistent patterns have emerged. The highest rating attributes are almost always those to do with the drivers: standard of driving and drivers' helpfulness, although we know from the comments that when a poor driver performance can seriously reduce passengers' satisfaction. The lowest scoring attribute is usually the frequency of service. Even before the introduction of free bus travel for people aged 60 and over in England, they were entitled to half-fares and so demonstrated more satisfaction with 'value for money' than younger people. There is very low satisfaction for this attribute in the age group 16-24 year olds, many of whom will have recently moved from child fares to full adult fares, often without any improvement in their income.

4.4 Impacts of the Services

When passengers were asked what they would have done if the bus had not been running, between 10% and 49% said they would have stayed at home or at their holiday base. The proportions are always higher amongst people without a car available, indicating the high value of these buses to people without their own transport. People without cars available are also less likely to visit the same destination by another mode, but tend to say they would visit a different destination, usually by public transport. This suggests that the provision of these bus services is increasing equity and social inclusion by allowing people without cars to access destinations for leisure which otherwise would be unavailable to them. Many of the services only run on Sundays or weekends, the days with the greatest demand for leisure travel. Without this service, many would be obliged to visit a second choice destination that remained accessible by public transport or stay at home.

Between 16% and 29% of passenger journeys would have been displaced into cars, either to visit the same destination or an alternative. Leisure trips have a high car occupancy rate and many of these passengers were travelling in groups, usually of two. Thus, although car traffic would increase, it would not be the equivalent of one car trip per bus passenger. The client of a recent survey calculated that the replacement car trips would emit less CO₂ than running one of the bus services, although this did not include the CO₂ emissions of the journeys to the area, which, if no public transport were available within the area are more likely to be undertaken by car. However, other 'symptoms' of car use are also ameliorated

by the bus services, especially on narrow roads which easily get congested or where parking can occupy valuable space and cause visual intrusion on the landscape.

Non-accommodation spending per person varied between £8.83 (9.54 Euros) and £23.51 (25.40 Euros), with the largest expenditure being on food and drink. In all but two of the surveys, bus and train fares were the next most important item. With the advent of free bus travel for people over 60, a lower proportion is spent on bus fares. People travelling alone tend to spend more per person and people in their forties are often the highest spenders. It is likely that the spending is influenced by available outlets such as cafes, restaurants, souvenir shops, etc as much as by the type of passenger. Spending increases with the duration of the stay at one location and is highest in the morning (with purchase of tickets, parking fees, etc) and in the afternoon (with souvenir buying), although food expenditure is highest at lunchtime. In some instances, spending by passengers without cars available exceeds that of car users.

The proportion of passengers staying in holiday accommodation varies greatly between the services and there is a great variety of accommodation from hotels to hostels and camping, including visitors staying with friends or relations and second homes. There is also a vast range of prices paid per person per night, although people staying in cheaper forms of accommodation are often staying for longer than those in more expensive holiday accommodation.

From the information collected about alternative actions if the bus were not running, it is possible to calculate the proportion of total spending that would be lost (from the people who would stay at home or go to another destination) without the bus. A recent calculation from a survey revealed that the spending per passenger on two routes was 4.8 and 2.4 times the cost of the adult return fare and 3.2 and 6.8 times the cost of the subsidy per person, in fact every £1 spent on subsidy generated spending of £5.63 in spending in the local economy.

We have few comparisons of the spending of car users and bus users and the two we have give contradictory evidence. In Shropshire, the average spending of bus users visiting a National Trust property exceeded that of car users, while in Borrowdale, a valley in the Lake District, parallel surveys of bus users and car users found the car users spent an average of approximately £11 more than bus users. Apart from fares, the bus users spent less on each category of spending. However, the average amount spent on the night's accommodation was higher for bus users and they had a higher average length of stay.

4.5 Comments

Many people explained why they thought fares were too high for the service provided, or would result in more people using cars. Families found fares very high except in one area which allowed accompanied children to travel free. People eligible for free bus travel were generally very positive although a few wondered if this would cause other bus fares to rise or services to be cut. Rover tickets were very popular.

Although many respondents praised the bus drivers, giving examples where they had been more helpful or patient than expected, others related how the bad attitude or driving of the driver had ruined the whole journey for them. Several people referred to the difficulty of driving on narrow roads and how other drivers could be inconsiderate, incompetent and sometimes insolent.

Information was important for different stages of the journey. Accessing accurate and up-to-date information about the level of bus services, let alone the fares, in a different location made it difficult to ensure that leisure journeys would be possible. Once in the area, it was sometimes impossible to know where the bus stopped and on the bus people did not know when they had reached the right stop. There were rarely any timetables available on the bus and sometimes buses would deviate from the advertised route, leaving passengers stranded or confused. When a bus failed to arrive, passengers waiting at a bus stop could not find out if it would arrive soon was substantially delayed or even cancelled. A particular problem was knowing which services were running on public holidays.

The services surveyed had frequencies from once a week to every ten minutes. Several had two-hourly frequencies and respondents related how this reduced their flexibility and that if they missed the bus, their day had to be rescheduled. Many deplored the short season of tourist buses and explained how resumption of the winter timetable reduced their activities. A number of people complained about the short daily operating window of the buses, making it difficult to enjoy activities at the destination, especially long walks. Poor connections with other bus services or trains could add considerably to the journey time.

There were complaints about the poor quality or lack of waiting facilities such as seats and shelter. Comfort was compromised by old vehicles, windows which did not open or close, over-heating and having to stand. People with disabilities or those with children in push chairs or with shopping trolleys found it difficult to board some buses and some requested more space for wheel chairs, pushchairs, bicycles and luggage.

Frequently people gave details about themselves to explain how important the bus services were for them because they did not have a car, could not drive, lived on a small income, were retired or had small children. Some voiced concerns that the bus services could be

cut. People who were or had been car users explained how they used buses for personal convenience or environmental reasons. Holiday-makers explained the importance of different aspects of bus provision to their holiday, including one passenger, who told how they had changed their holiday destination because of better bus provision in the new area and their need for left-luggage lockers at major interchange bus stations.

4.6 Interviews

The interviews gave more insights into the web of decisions which led to bus use for leisure. Some interviewees made a conscious effort not to use their car in an area of natural beauty choosing to '*give their car a holiday*' once they had arrived in the destination area. Others had chosen a destination area specifically because they perceived it as having good bus services. One respondent recounted the difficulty of getting advice about good locations for public transport within a destination area. Other respondents told how they caught buses spontaneously and were pleasantly surprised at where they could go and the added information available from the driver and a guide. Others had caught buses to join advertised guided walks. From the interviews, it is apparent that there are several pathways to using a bus in a holiday area: for some people knowledge of a good level of bus provision is integral to their choice of holiday area, at the other end of the spectrum are people who do not plan to use buses, but who spontaneously catch one when they see it or hear about it.

4.7 Other Observations

Conducting the surveys in rural areas, talking to passengers, drivers, people at tourist destinations and the employees of organisations who organise seasonal buses has given the Institute of Transport and Tourism team considerable experience in how these buses operate. With a low priority given to access to leisure, many of these routes are poorly funded and often there is uncertainty about the next season's services, making long-term planning, provision of information and marketing difficult. Stretched budgets can mean little or no monitoring and few authorities have attempted to relate the costs to the benefits: local spending, social inclusion and car-use reduction. However, there are a number of very successful services where sustained funding has allowed the service to become established and build up patronage.

For the potential passenger, attempting to use a bus service in an unfamiliar rural area can be daunting, not knowing where to wait, which bus to catch, where to alight or whether the return bus will turn up or make the advertised connection with the train or bus home. These anxieties can detract from enjoying the trip, being able to look at the scenery or even being able to taste the local beer. They can be alleviated by close attention to detail, friendly drivers and a high standard of service.

5. DISCUSSION

The research shows that even modest bus projects can help reduce car traffic in sensitive areas, increase access to the countryside for people without cars available and generate

extra revenue for local communities. They appear to offer value for money, but unfortunately a true cost benefit analysis is rarely undertaken. Even if this were possible, as the benefits are to the community and environment, local authorities would still have to find the money to fund the services. With better funding, much more could be achieved, although it would need to balance improving the service offering with improved information and marketing.

Once a bus service is funded, it makes financial sense to encourage as many people to use it as possible, which can help reduce the subsidy. Many of the barriers to using buses in tourist areas identified by our surveys require intelligent planning rather than great expense, so that people unfamiliar to the area are aware of the bus service, feel confident in using it, have an enjoyable experience and can accomplish what they want to on a day out.

The main complaint from passengers is poor frequency, but unfortunately, although a greater frequency gives passengers more choice of departure and return times, they would still make the same number of journeys. More passengers might be attracted by more visible buses, complete packages involving integrated ticketing, interpretation and possibly walks which fit in with the bus times. Longer possible stays at destinations could generate more spending in local pubs, cafes and restaurants.

6. CONCLUSIONS

Local bus services can reduce car use at a destination and remove the need to travel there by car. They can also increase access for people without cars and help local economies by generating spending. Although they offer value for money, this is rarely measured or evaluated with accurate data and such services are often of low priority, resulting in uncertain funding, which makes long-term planning impossible.

Without them, it is likely that car traffic will rise, making walking and cycling in and even visiting an area less attractive. Because the overwhelming majority of trips are currently undertaken by car, bus services only need to target markets who can benefit from bus travel, such as not driving, being able to enjoy the views, interpretation and orientation from the driver or a guide or doing linear walks. However, many services are not well planned for the needs of these people.

The current recession may encourage more people to take domestic rather than overseas holidays, which could bring higher visitor numbers to these areas. Lower incomes and higher fuel costs may also make visitors more cost-conscious and inclined to use buses if they are cheaper.

Research needs to be directed at how such bus services can be operated efficiently and made more attractive for car users. Local authorities running such services need a simple, but comprehensive, cost-benefit framework to help evaluate their diverse benefits to passengers, the locality and the global environment.

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The role of climate change in the travel decisions of UK tourists

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Abstract

Whilst much effort has been made to communicate to the public the importance of reducing carbon footprints in the home, one area where emissions are growing rapidly and little attempt has been made to increase consumer understanding of the impacts on climate change is holidays, particularly those involving air travel. Using focus group research, this paper explores tourists' awareness of the impacts of holidays on climate change, examines the extent to which climate change features in holiday decisions and identifies some of the barriers to the adoption of less carbon-intensive tourism practices. The findings suggest that climate change is not considered at all by the vast majority of tourists when planning their holidays. The failure of tourists to make the association between holidays and climate change, combined with significant barriers to behavioural change, presents a considerable challenge in moving the tourism industry onto a sustainable emissions path.

Keywords: air travel; climate change

1 INTRODUCTION

Tourism is a highly energy-intensive industry and has only recently attracted attention as an important contributor to climate change through greenhouse gas emissions (GHGs). Studies show that transport may be responsible for over 90% of tourism's overall contribution to global climate change (Gossling 2002), with air travel dominating these emissions. Gossling and Peeters (2007) conclude that in an average holiday or short break involving air travel, 60-95% of its contribution to global warming will be caused by the flight. The growth, and predicted future growth, in international tourism is a major concern. International tourist arrivals grew to 903 million in 2007 and are forecast to increase to 1.6 billion in 2020 (UNWTO 2008). International tourism is largely dominated by developed countries. The current tourism trend in these industrialised countries has been described as hyper-mobility (Hoyer 2000) and is characterised by the taking of short-breaks in remote destinations several times a year. Global growth rates of air travel have been in the order

of 5-6% per year in the period 1970-2000 and are predicted to continue growing at annual rates of 5% until 2020 (Gossling and Peeters 2007).

As part of a wider study, this paper reports the findings of exploratory focus group research designed to investigate the role that climate change plays in the holiday and travel decisions of UK tourists. The research has three objectives: to explore the levels of awareness amongst UK tourists of the impacts holidays and travel have on climate change, to establish the extent to which climate change considerations feature in holiday and travel decision-making processes, and to investigate the major barriers to UK tourists adopting less carbon-intensive tourism consumption practices. Until recently, there has been very little research undertaken to investigate whether tourists are aware of the impacts that their holidays and travel have on climate change. Several studies report low awareness of the impact of air travel on climate change (Becken 2007, Gossling et al. 2006, Shaw and Thomas 2006). In the UK, a number of quantitative studies have examined public attitudes towards air travel. In the most recent Department for Transport (2008) study, 66% of respondents said they believed that air travel harms the environment, although when asked what types of environmental impacts they thought resulted, only 44% mentioned climate change (29% of overall sample). These studies suggest that tourists either do not have a good understanding of the impacts their travel has on climate change or are unwilling to acknowledge the effects of their travel.

The tourism sector must progressively reduce its GHG contributions if it is to move onto a sustainable emissions path. Aviation has been identified as the most important area for reducing these emissions (Peeters et al. 2006). There have been a number of potential changes proposed for reducing the impact of air travel on climate change namely technological; market-based and behavioural changes. Of these options, behavioural change is considered to have the most important role to play in leading to reductions in GHG emissions from air travel associated with tourism (Gossling et al. 2007). The third objective of this research addresses the need for behavioural change in tourism consumption. The findings of this paper shed light on the extent to which barriers to action are inhibiting tourists from changing their tourism practices.

When it comes to understanding behavioural change, a wide range of conceptual theories have been developed, utilising various social, psychological, subjective and objective variables in order to model consumer behaviour (Jackson 2005). These theories of behavioural change operate at a number of different levels, including the individual level, the interpersonal level and the community level (Halpern et al. 2004). A number of theories have been designed specifically to examine pro-environmental behaviour, whilst more general consumer behaviour theories have also been used to predict behaviour in a climate change context. Anable et al. (2006) suggest that pro-environmental behaviour is such a complex concept that there is no '*grand unified theory*' that provides a definitive explanation of behavioural change; hence the purpose of this paper is not to evaluate any particular one of these consumer behaviour theories. Instead, the findings are discussed in the context of several models with specific reference to barriers put forward by the focus group participants as reasons against changing their travel and tourism behaviour. These barriers can lead to inconsistency between people's attitudes and behaviours. This inconsistency is commonly referred to as the attitude-behaviour gap and is particularly prevalent when examining behavioural change related to environmental issues (Nickerson 2003). Anable et al. (2006) consider this attitude-behaviour gap as one of the greatest challenges facing

the climate change agenda. Therefore, identifying these barriers to action is a critical step in facilitating behavioural change.

2 METHODS

Despite the potentially high-risk scenarios for the tourism industry and the global environment, relatively little research has been undertaken with respect to tourism and climate change (Becken 2007, Hunter and Shaw 2007). Therefore, exploratory focus group research was chosen as it has the potential to highlight important factors and variables that are not evident in the limited tourism and climate change literature. It can be argued that focus groups offer a more natural environment than that of individual interviews, as participants are interacting with other people, just as they do in real life (Krueger and Casey, 2000). The literature also suggests that group interaction will lead to a wider range of views, as participants seize and develop on the comments of other group members (Bryman 2008). Group discussion can result in participants defending and more fully explaining their views, thus providing a greater insight into their thoughts and beliefs.

Four focus groups were conducted in Bournemouth, UK. The number of participants in each group ranged between 7 and 10, with 34 participants in total taking part. In terms of composition, each group was relatively homogeneous and the participants were recruited from pre-existing groups. Although the sample is not considered representative, the aim was to include a broad selection of participants in order to get an adequate cross-section of views. The first group consisted of students (Student Group), the second group consisted of parents with young children (Family Group), the third group consisted of working professionals (Professionals Group) and the fourth group consisted of retirees (Retired Group).

It has been argued that participants should receive adequate information on the focus group during recruitment, so that they are able to give their informed consent to take part (Bloor et al. 2001). Potential participants were told that the focus group discussion would be about climate change and people's everyday lives. Mention of holidays and travel were deliberately avoided in the recruitment process, as the researcher did not want to create a connection in the participants' minds between holidays and climate change if one did not already exist. By disclosing that climate change was the main theme of the group discussions, the researcher was aware that this could potentially lead to social desirability bias. In addition, there was also the possibility that the participants may be more interested in and knowledgeable about climate change than the population in general as they volunteered to take part.

The focus groups lasted between 1.5 and 2 hours, and each one was recorded using digital voice recorders. The recordings were then transcribed verbatim by the researcher. The transcripts were read a number of times before codes were developed. The codes were then reviewed and connections between codes were sought. The themes identified were generated inductively from the raw data, rather than deductively from theory and previous research (Boyatzis 1998). The researcher used techniques outlined by Ryan and Bernard (2003) to discover themes in the data. These included searching for repetitions in the data sets, and searching for similarities and differences by making systematic comparisons across the data. The final stage of the analysis involved relating the findings back to the relevant literature and theory.

3 FINDINGS

3.1 Awareness of the impacts holidays and travel have on climate change

When asked about their understanding of climate change, the most dominant top of mind response in each of the four groups was for participants to talk about changes in weather patterns that they had personally observed in their lifetime. In particular, milder winters, with very little snowfall over recent years, and wetter summers were mentioned. When it came to understanding and even believing in climate change there were mixed responses. Many of the participants were unsure about what climate change is, particularly in the Family Group. In other groups, there was a lot of uncertainty about the human contribution to climate change through the production of greenhouse gases. A number of participants, particularly in the Retired Group, did not believe that climate change was happening. There was also confusion in all the groups between climate change and holes in the ozone layer.

Whilst general awareness of climate change was quite high, with almost all the participants being familiar with the terms 'climate change' and 'greenhouse gases', in most cases they did not have a strong understanding of either the causes of climate change or the role that humans, including themselves, are having on the levels of GHGs being released into the atmosphere. These findings are consistent with the conclusions of Anable et al. (2006 p11) that *"recognition of the concept of climate change among the UK population is exceptionally high, but a more sophisticated understanding appears to be random and inconsistent"*.

As the impacts that individuals, including themselves, may have on climate change were not mentioned in the preceding discussions, participants were asked to make a list of the ways they thought their lifestyles might contribute to climate change. The five most frequently mentioned contributions to climate change were:

1. Car driving
2. Electrical appliances in home
3. Flying
4. Heating home
5. Consumption/disposal of waste

Of particular interest to this research is the fact that flying was the third most common response of the participants. After discussing the items on their lists, participants were then asked to make a list of any things they did to reduce their impact on climate change. The five most frequently mentioned actions were:

1. Recycling
2. Walking
3. Minimising electricity leakage
4. Don't use plastic bags
5. Cycling

It is important to mention that many of the participants said that they did these things as much for financial reasons as environmental reasons. Interestingly, although flying was the third most widely acknowledged impact on climate change, not one participant mentioned that they do anything to address this in terms of flying less or using alternative transport modes.

Following on from these discussions, participants were asked to consider in what ways their holidays might impact on climate change. Travel to and from their destination was identified as having the biggest impact. Flying was referred to in particular, partly because most of the participants had already identified flights as a significant contributor to climate change, and also because that was the method of transport they most frequently used for holidays.

"I guess in terms of climate change, the travel is the only thing I can think of"

Female 6, Professionals Group

“It’s the flight isn’t it ... I think that’s quite a big issue”

Female 3, Family Group

There tended to be long pauses after flights had been discussed as participants seemed to struggle to identify other impacts that holidays might have on climate change. After a little prompting, energy and resource wastage at hotels and resorts was the next most common theme. A number of participants identified their own behaviour as contributing, as illustrated by this quote referring to a winter holiday taken a few months earlier.

“We leave the heating on twenty four hours a day for five days ... we do it while we’re away because where we go it’s an all-inclusive”

Female 1, Family Group

Others referred to hotels wasting resources through excessive air conditioning and heating, washing bedding and towels every day and leaving lights on in corridors all night. Another theme that emerged was that mass tourism has had a considerable impact on the local environment at many popular destinations. This confusion between the impacts of tourism on global climate change and on the local environment of holiday destinations was also encountered by Gossling et al. (2006) in their study of tourists’ perceptions of climate change.

3.2 Climate change and holiday/travel decision-making

Participants were asked to think about the important things they considered when planning their last overseas holiday. The five most important factors identified were:

1. Price/cost
2. Weather
3. Family and friends
4. Minimal travel time
5. Activities

In total across the four groups, more than thirty different factors were mentioned as important elements considered when planning holidays. However, climate change, or even environmental concerns in general, were not mentioned once. Even though climate change was clearly the main topic of discussion in the focus groups, not one of the participants identified climate change as a factor they consider when making decisions about their holidays. This would suggest that the focus group participants were not providing socially desirable responses.

As climate change was not mentioned in the previous discussion, each group were specifically asked whether climate change considerations featured in their thoughts and decisions when they planned their holidays. All but two of the participants said that they did not think about climate change at all. As the following quotes illustrate, climate change does not feature in the vast majority of participants' thoughts, even though flying had been widely acknowledged as contributing to climate change earlier in the focus groups.

"I don't think about it at all ... to be honest I never care"

Male 5, Student Group

"I think people are just not aware of it ... to be honest it doesn't enter my thoughts at all"

Female 2, Family Group

"I have never ever considered climate change with regard to a holiday"

Male 6, Retired Group

Two participants from different groups, both females in their 20s, said that climate change considerations were in the back of their mind when planning their holidays. Both participants had used carbon offsetting schemes to offset flights, but neither did it on a regular basis. They also stated that climate change considerations did not alter their holiday decisions in any additional way other than to sometimes offset flights.

Of even more concern, perhaps, was the fact that a number of younger participants in both the Young and Professionals Groups expressed a view that climate change was actually making them travel more. There was a belief that they should travel as much as possible now, while flights are relatively cheap, and before travel is possibly restricted or made more difficult in the future due to climate change concerns.

“There is more in the media and it does make me think. But it probably makes me think I should travel more now because I might not have the opportunity ... in twenty years you just won’t be able to get to some of the places that are really accessible now”

Female 6, Professionals Group

3.3 Barriers to behavioural change

The final part of the discussion revolved around a number of questions aimed at generating discussion on potential ways that holiday and travel behaviour might change in favour of less carbon-intensive tourism practices. Participants were not asked specifically to identify any barriers or obstacles preventing them from adjusting their holiday behaviour. The barriers identified in this analysis were derived from the responses and discussions emanating from questions relating to alternative modes of transport, carbon offsetting schemes, potential future travel restrictions and responsible tourism. Outlined below are some, but not all, of the barriers identified from this research.

The first barrier identified is the strong preference for air travel over alternative travel modes that were expressed in all four groups. Flying was considered the only viable option for most holiday destinations. Trains were dismissed as being too slow and too expensive. France was identified as one of the few overseas holiday destinations that could be reached by train or ferry. In discussions about other holiday destinations, participants said they would not consider any other modes of transport other than flying.

“It’s difficult to avoid flying when you want to go on holiday”

Male 3, Student Group

The dismissal of alternative transport modes can be conceived as either a structural barrier, in the sense that flying is perhaps the only realistic option to reach long-haul holiday destinations, or a perceived behavioural control barrier (Ajzen 1991) in that an individual perceives flying as the only option open to them and therefore precludes all other transport options. The extent to which this is a structural or perceived barrier will depend to a great extent on the distance to the destination. To increase the availability of different transport modes, tourists could choose holiday destinations closer to home. However, the focus group participants in this research were resistant to changing their holiday plans for climate change reasons.

Many participants also seemed to have an affinity with low-cost airlines. There was a widespread view that they have opened up travel to the masses, making overseas holidays accessible and affordable for many. Similar positive views of low-cost air travel were also exhibited by the participants in a study by Shaw and Thomas (2006). Despite the negative climate change and environmental consequences associated with flying, it appears that airlines are held in a positive light by the majority of the focus group participants.

The second barrier comes in the form of the value or importance that the majority of participants placed on holidays. There was a strong reluctance across all the groups to consider changing their tourism behaviour. When the possibility of future quotas limiting the number of flights individuals could take in a year was discussed, there was universal disapproval. Not one participant thought that an enforced restriction on flights for climate change reasons was acceptable. The loss of freedom of choice was identified as a reason why governments should not restrict their ability to fly.

“I’d feel pretty restricted about personal freedom and things like that, and I’m quite sure there are plenty of other ways for a government to do more about climate change”

Female 2, Student Group

In her study of the awareness of aviation’s impact on climate change amongst international tourists to New Zealand, Becken (2007) also found that the value of freedom to travel is firmly established in the minds of many tourists and that restricting this travel is considered unacceptable.

The third barrier relates to the belief amongst participants that responsibility for climate change lies with others. In all four groups the major contributors to climate change were considered to be governments, businesses and other countries. Very little responsibility was seen to lie with individuals in terms of personal contributions to climate change.

“Big companies, they’ve created this society, we’ve had to fit around what they’ve put out. They’ve given us cars, they’ve given us cheap flights, they’ve given us the heating etcetera”

Male 1, Family Group

In addition, when it came to tackling climate change, responsibility was again seen to belong to collective bodies rather than individuals. Personal responsibility (often referred to as personal norms or moral norms in the socio-psychological behaviour literature) is considered a key variable in implementing pro-environmental behaviour (Stern et al. 1999). The lack of personal responsibility displayed by the focus group participants is clearly a barrier to adjusting their holiday and travel behaviour in favour of practices that have a lower impact on climate change.

There was also considerable scepticism about how serious the UK Government were about tackling the causes of climate change, and annoyance that so called green taxes were not being used directly to combat the problem.

“It’s a means of raising taxation. I fully appreciate the impact to the environment and everything else but I think there’s an element of how much money can we make out of this on the back of climate change”

Male 2, Professionals Group

There were doubts expressed as to whether the government really wants people to fly less because airport capacity is being expanded. Similar issues of trust concerning government intentions in relation to climate change policy were reported by Stoll-Kleemann et al. (2001).

In the Family and Retired Groups in particular, there was a feeling that the actions of one person cannot make a difference. These participants were exhibiting a strong external locus of control, whereby they considered that any efforts they made as individuals to reduce their carbon emissions would be insignificant in the global context. This sense of ‘powerlessness’ is viewed by Stoll-Kleemann et al. (2001) as a denial mechanism for accepting personal responsibility.

Across all four groups the argument was put forward that why should someone change their holiday behaviour when other people were not prepared to change theirs.

“If we don’t fly somebody else will”

Male 7, Retired Group

This is an example of a social dilemma, the conflict between self-interest and the common good. Related to this is the tendency to use the lack of action by others to justify one’s own

inactivity (Anable et al. 2006). Shaw and Thomas (2006) found that participants in their research also expressed this barrier to action – that personal sacrifice in terms of reducing air travel would have no value unless this change in behaviour was reciprocated by others.

4 CONCLUSIONS

Whilst the participants in these focus groups had a basic understanding of climate change, they generally lacked a more in-depth knowledge. Nonetheless, the vast majority identified flying as a major cause of climate change. Although air travel was widely acknowledged as impacting on climate change, participants struggled to identify other aspects of holidays that contribute to climate change. When it comes to planning holidays, climate change does not feature in the thoughts or decisions of the vast majority of participants even though most of them had identified flying as a cause of climate change. The association between holidays and climate change, in the minds of the participants, is either not made when planning holidays or is somehow suppressed.

The focus group research identified three major barriers to behavioural change when it comes to taking holidays, all of which present significant obstacles in terms of reducing the impact of international travel on climate change. The first barrier – dismissal of alternative transport modes to air travel – can be seen as a structural or psychological barrier. For many holiday destinations, access by air travel is the only realistic option. Therefore, tourists may consider that they have no choice but to continue flying when they go on holiday. However, the impacts of holidays on climate change can still be reduced, even when air travel is involved, if tourists take fewer holidays of longer duration (hence fewer flights), and travel shorter distances to the destination. If UK tourists were to take more holidays in the UK and less overseas, or even take their holidays in Western Europe, this would open up a number of transport options, such as train and coach, which have less impact on climate change. However, as the second barrier identified illustrates, the participants in these focus groups were very much against making changes to their travel behaviour. The participants attached a very high importance and value to their holidays and were reluctant to consider adapting them for climate change reasons. The third barrier – responsibility lies with others – may help explain this unwillingness to change travel behaviour. The participants were not prepared to accept personal responsibility for the impacts their holidays have on climate change. Instead, they put forward a number of denial mechanisms for why responsibility lies with governments, businesses and other countries, rather than with the individual. The impacts of an individual on climate change were argued as being insignificant in the context of a global problem, and that changing individual travel behaviour would make no difference.

Whilst previous studies suggest an attitude-behaviour gap in relation to environmental issues this research would suggest that, in the case of holidays and international travel, there is a knowledge-attitude gap rather than an attitude-behaviour gap. The participants, whilst not necessarily having an in-depth knowledge, were aware that air travel has a significant detrimental impact on climate change. However, this knowledge did not appear to translate into pro-environmental attitudes with regards holidays and climate change. In this respect, attitudes and behaviour were consistent in that neither were pro-environmental. It may be the case that knowledge is not leading to correlating attitudes, or it may be that behaviour is having a strong influence over attitudes in this holiday situation. Cognitive Dissonance Theory (Festinger 1957) suggests that where there are inconsistencies between an individual's attitudes and behaviour, the individual will adjust either their attitudes or behaviour to reduce this discrepancy. As the participants were reluctant to change their travel behaviour, it is possible they may have aligned their attitudes towards holidays and climate change to be consistent with their behaviour. An alternative explanation is offered by Self-Perception Theory (Bem 1967), which suggests that in certain situations attitudes are inferred on the basis of observations about one's own behaviour. Further research needs to be conducted to investigate why environmental knowledge does not translate to pro-environmental attitudes and pro-environmental behaviour when it comes to holidays and climate change. Whilst it may come as no surprise that tourists are reluctant to make significant changes to their lifestyles, especially when such strong social benefits are associated with holidays, finding ways to induce behavioural change is essential for the sustained long-term future of the tourism industry.

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Inter-railing: extended train journeys as tourist experience

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Abstract

Using the case of Inter-railer's this paper treats journeys tourists take as central to their experience. Backpacking around Europe is closely associated with rail travel, often through a series inter and Euro rail passes. A culture of inter-railing exist that tourists seek out and actively choose to experience, that typically includes extended train journeys across Europe. Based on ethnographic material gathered during the summers of 2007 and 2008 this paper attempts to understand the motivations, experiences, practices and activities of backpackers as they travel on trains through Central and Eastern Europe. Results suggest that time spent travelling to and from destinations is far from wasted and gives rise to a number of activities. The train carriage forms a unique setting for a host of relations between backpackers, in the process the journey facilitates the meeting of travel partners and provides ground for the telling of travel and life stories and experiences to fellow travellers a place where a diverse range of interactions and experiences are created and played out.

Keywords: European railways, backpacking, travel-time, experience, rail passes.

1. Introduction

Recent publications have addressed the interface between tourism and transport from the perspective of planning, sustainability and the maintenance of transportation networks. There remains, however, a lack of understanding of the role of journeys the tourist takes within the tourist experience. This paper seeks to rectify this by focusing on the experiences of backpackers as they travel on trains through Central and Eastern Europe.

The original backpacker is described as a traveller that shuns institutionalised forms of mass travel in pursuit of authenticity. A crucial paradox, however, is that as backpacking became more popular and more structures designed to meet the needs of the backpacker developed, the original counterculture rhetoric of non-institutionalised travel becomes undermined (Cohen, 1973). Part of the institutionalisation of European backpacking is the development of rail passes that offer discounted rail travel throughout Europe. Thus, a tradition of making extended tours around Europe by train has been created and endures. Eurail the main provider of European rail passes sold 468'000 units in 2007 and project annual growth of around 5%. (EURAIL, 2008). Such high sales and growth potential is attributed to a successful introduction of a new product range, rail passes are now sold to over 25s, the range of one country passes has been extended, and new EU states have been incorporated in the offering. These trends seem to reflect wider changes in tourism consumption that suggest mainstream tourists are now more eager to 'ruck up' and explore countries for themselves, what Mowthorpe and Munt (1998) describe as the move towards; travelling, trucking and trekking tourism. Research needs to understand these transit aspects of backpacking in Europe, not least because, with rail passes valid for up to 30 days, and with so many countries to visit, a significant amount of time is spent on the (rail) road. The train carriages, railway stations, platforms and waiting rooms therefore form a central part of the inter-rail experience and, like other spaces of transit and transport, can no longer be ignored.

2.1 Travel Cultures

Issues of mobility and travel have been a central feature of research on backpacking. Backpacker journeys have been underpinned by an almost heroic status (Riley, 1988), as the backpacker is a 'trail blazer' who ventures far off the beaten track (Cohen, 1973). Recently, more nuanced, critical studies have emerged that focus on identity formulation of tourists embarking on extended travel (Desforges, 2000). These accounts fit nicely with ideas about 'cultural capital' and the forming of biographies and career-like tourist behaviours. Narratives of journeys taken that are expressed as nomadic or adventuresome become character building and an important means of communicating, status and identity to others (Noy 2004: Riley 1988). Choices in travel styles and modes of transportation are significant to the constitution of identity (Featherstone, 2004), therefore where to and how backpackers travel speaks volumes about stages reached over a travel career (Desforges, 2000). Backpacker transportation begins to take on a purpose that goes beyond simply leaving and arriving. Transportation decisions are not only based on convenience but in relation to potential experiences they can offer backpackers (Vance, 2004). However, narratives of travel potentially overwrite the more mundane aspects of being in transit and relatively little is known of how backpackers experience moments and spaces of transportation.

2.2 Utility and Tourism Transportation

In both transport and tourism studies, issues of transportation have been discussed primarily in economic terms. Discrete choices are made in which travellers attempt to maximise the utility of journeys taken. As destinations are generally considered as the site of experience logic follows that transportation choices will be governed by the saving of time or money, as a means of optimising the benefits sought at destinations. Following this logic transportation in tourism becomes primarily about the physical movement of tourists and always derived demand (Lusmond and Page 2004, Mokhtarian and Salomon 2001). Work by Mokhtarian (with others) have questioned this assumption by suggesting that travel can be desired for its own sake, a phenomenon described as 'undirected travel', "cases in which travel is not a by product of the activity, but itself constitutes the activity" (Mokhtarian and Salomon 2001:715). Here the end destination becomes to some degree arbitrary and the extent to which travel is seen as utility or undirected can be placed on a continuum depending on the 'primariness' of travel or the destination. (Mokhtarian and Salomon 2001:698). Lusmond and Page (2004:6), work around similar premise when they describe a transport tourism utility continuum as, "The extent to which a form of transport is purely utilitarian on the one hand or moving visitor attraction on the other". Although all transportation has the potential to influence tourist experience, the degree to which transportation is classified as 'utilitarian' or 'transport as tourism' relates to the intrinsic value placed on the mode of transportation within the overall tourist experience. Thus transportation that is primarily used by tourists, and destination based transportation attractions appear to be greater on intrinsic value than forms of public transportation. (Lusmond and Page, 2004). For instance, Thompson and Scholfield (2007), suggest that it is the utility attributes of bus travel such as 'ease of access' that has the strongest bearing on tourist satisfaction. These aspects of travel are often modelled as transit zones within a 'tourism system' (Liepner, 1990). Systems approaches link individual elements to a wider environment and are effective at highlighting linear relations between variables (Page, 1999). Yet as Hall (2005), notes systems approaches rely on abstraction and whilst are effective at suggesting links are perhaps less apt at explaining many of the complexities of actual human experiences of travel, as such interactions and performances engaged in during transportation often slip passed undocumented.

However, a mobilities perspective emphasises that we need to better understand practices that take place on the move. “The mobilities paradigm posits that activities occur while on the move, that being on the move includes a series of occasioned activities”. (Sheller and Urry 2006: 213). Hannam et al (2006), argue that accepted notions of movement and travel need to be 'problematized' and understood complex. Whereas transport elements of the tourism system are often described in terms of the physical movement between points A and B (Guun, 1994), a mobilities perspective is concerned with unpacking and detailing what happens between points A and B (Cresswell, 2005). Here the concept of travel-time brings about a more dynamic understanding of utility by suggesting that time spent travelling is productive, that activities engaged in during transportation are integral to experience, and that there are considerable overlaps between activities engaged in on the move and activities engaged in at destinations (Urry, 2006).

2.3 Rail Travel-Time

Research on travel-time has recently linked rail travel with a series of practices (Lyons and Urry, 2005). Moreover, empirical evidence supports the assumption that travel-time has a positive utility, insomuch that $\frac{3}{4}$ of train passengers surveyed stated that they use travel-time productively. Importantly, for this paper, it seems that as train journeys increase in duration time, the utility value of travel-time remains positive. Activities that passengers engage in include window gazing and reading for leisure, studying or working on the move and the anti-activity of relaxing (Lyons et al 2007). Interactions with other passengers are much more subdued with only a suggestion of communication being kept to impersonal passing remarks (Urry 2007). Watts (2008), looks at train travel-time from a social science perspective, her paper details how passengers actively engaging in the space of the train carriage, skilfully manipulating social relations and material objects to craft or create experience. Symes (2007), meanwhile, shows how journeys to and from school allow children to re-create internal space of the train carriage. Here, space is reconfigured into environments that support both play and homework. Complex interactions are played out which are negotiated and regulated with and in the presence of other school children and other passengers.

Although few studies have looked directly at tourist train travel, classic accounts speak of a passenger detached from experience, “rail road, I do not consider it travelling at all, it is merely being sent to a place and very little different from being a parcel” (Ruskin, 1865 cited in Lofgren, 2002). Dann (1994), brings about an alternative reading by associating rail travel with a series of experiential and touristic qualities including, heritage, discomfort, nostalgia and scenic views. Adler (1989), meanwhile, suggests that the relatively slow pace of train travel, facilitate a more authentic and romantic traveller experience. Elsewhere, tourist train travel has been considered as an extension of a tourist gaze, either by forming an object of the tourist gaze, (Halsall, 2001), or as a means of experiencing and viewing landscapes (Larsen, 2001).

3. A Mobile Methodology

In terms of the research for this paper, all data gathered was a result of extensive participant observation, interviews and logged conversations and as such the study follows the principles of ethnography. The ethnography was carried out on board trains in Central and Eastern Europe during the summer months of 2006-2007. As I travelled I had no set

itinerary preferring to follow the routes and travel patterns set by the travellers I met, essentially allowing the field to determine the next journey taken. This participation in the practices of backpacking in Central and Eastern Europe afford valuable insights in to the actual experiences of inter-railer's as they travel on trains. Field notes and observations were purposely very detailed and often completed in situ, and the results that emerged were thus somewhat fluid and dynamic. By moving with backpackers through journeys, the approach to data collection follows what Sheller and Urry (2006) term a 'mobile ethnography' as it involved 'participation in patterns of movements while conducting ethnographic research' (Sheller and Urry, 2006: 217). Mobile ethnography places an emphasis on 'travelling with people and things in a sustained relocation of the researcher within that movement' (Watts and Urry, 2008: 17). Mobile ethnographies are thus effective at detailing passengers, activities and actions as they are moved by and move in modes of transportation. Watts (2007) for instance used observations of train passengers over a number of journeys to provided a detailed analysis of passenger's spatial practices and activities. Similarly, Tucker (2007) by joining youth coach tours in New Zealand was able to grasp the performative elements of such trips. This 'mobile ethnography' meant that 'respondents' changed on almost a daily basis in relation to settings and journey taken, the research emphasis being to record the actions, behaviours and norms of a range of actors and individuals (Sorenson, 2003). As Sorenson (2003: 308) argues: 'The un-terrorization of the backpacker community means that instead of prolonged interactions with a few, fieldwork has to be structured around impromptu interaction with many'. Moreover the changing of subjects in relation to journeys is an accepted and anticipated trait of researching those who travel by train (Symes, 2007; Urry, 2007).

4.1 The Experience of Inter-railing

Many inter-railer's had in mind a destination or the furthest point they would travel to, before looping back home. One couple, for instance were working their way down to the Croatian coast from Switzerland, others were on route to a music festival in Serbia, etc. Destinations are clearly not arbitrary and part of the inter-rail experience is travelling to as many places as possible, a travel behaviour that is both created and facilitated by having a rail pass. The relationship between destinations, travel and rail passes were often expressed in terms of freedom of movement, as one inter-railer states, "It means we're pretty free and travelling where we want ... I don't think we would of ever seen so many of these countries without the pass .. if we didn't have the pass we probably would not have travelled so much, its been amazing ". For inter-railer's journeys form an important part of the experience and travel is clearly more than a means to an end. A group from Germany had made several train journeys back to back on route to Istanbul, as one member explained, "if you go by plane you don't see anything here you travel through different places – its very exciting". One respondent was given 'big respect' by others when he told about travelling on a train for three days solid to reach Bulgaria, his story was one of narrowly missing connections, small station stops, night trains, smugglers and border controls and was one of adventure. Thus journeys taken are often set within a rhetoric of freedom and adventure - "We want to have freedom and choice of the moment, you don't have to arrange stuff – you just go". For others, freedom was discussed in terms of flexibility and being able to direct when and where they travelled, "you can leave when you want – you're not structured to have to be somewhere at a certain time - if you know there's a train later, or if you change your mind you can just jump on a train" . Built into these ideas of freedom are issues of control, here planning forms an important part of the experience and routes particularly for the early stages of trips are often pre-planned, "Our plan was to go to Berlin and Prague and then see from there". Inter-railer's tended to suggest that travel plans are loose and subject to change, and thus maintain a sense of spontaneity. However, many had worked out their trip

before leaving, as one inter-railer expressed, “I don't know where I am going exactly” only then to then list 12 destinations in routed order. Nevertheless, a degree of planning on the move does occur, one respondent had, “lasted the distance” and ended up in Prague, another left the train before his planned destination. Having a rail pass provides opportunity to hop on and off trains and became important in maintaining a spirit of adventure, one respondent for instance had decided he would leave the train at Bratislava and travel on to Budapest his planned destination later. Thus, travel plans are seldom set in stone and experienced inter-railer's seem open to changes in itinerary, one group had changed their plans last minute, on route to Vienna they decided they would go to Ceske Krumlov after hearing it was popular with backpackers. In other instances plans changed in relation to circumstance, on arrival at Bucharest one respondent felt disorientated and decided to travel on to Brasov. Another, had got off the train in Zagreb, being unable to find accommodation returned to the train station and travelled on to Split. When discussing these issues with inter-railer's it became apparent that core to their experience was the knowledge and pleasure gained from working their way and travelling through the European rail network, taking as many trips as possible within a relatively short space of time, overcoming and crossing barriers and giving way to circumstance makes travel exciting and a worth while experience. An experience that is created and supported by the security of having a rail pass, as one respondent sums up, “if all else fails I can just get on a train – to wherever”.

The theme of self-management and personal growth ran consistently through many of the interviews and conversations had, for instance one female suggested that by inter-railing she had matured and become more responsible, “it opens your eyes to a lot of things, and it makes you control yourself as well – like money and that and where to get off, it makes you responsible for yourself, its been really good for me”. Others spoke of personal growth in terms of inter-railing building their confidence, “its made me realise that I'm quite an independent person and I think its taught me a lot about myself, just that I can cope, the scariest thing was like am I going to be able to figure out the trains and get on the trains – but within the first week it was like I can do this, it boosts your confidence and made me feel better about myself”. Thus, for many inter-railer's time spent travelling had a positive impact on esteem and identity, and in keeping with existing research suggests that travel and everyday identities are closely entwined (See Desforges, 2000). One inter-railer having recently been made redundant was taking time out to figure out what she may do in the future, another was using downtime to plan a university project.

4.2 Realities of Travel-Time

Although rail journeys are often set within the rhetoric of adventure actual experiences of travel are often much more mundane. Thus, it would be wrong then to describe all inter-rail journeys as exciting, the realities of inter-railing often mean sitting on a train for 12 hours or more, and can be a tedious experience, as one respondent noted, “when your travelling for hours you become bored, I mean there's not a lot to do on a train, apart from sleep or try and pass the time. That's why I usually see it, I just look at the trains as a means of transport, more then part of the holiday. Overcoming boredom is reflected in many of the activities inter-railer's engage in, mp3's, a good book and perhaps a deck of cards seem essentials items inter-railer's use to while away the hours, as one respondent stated, “I'll read my book or look out of the window that always keeps me occupied”. Thus passing time is an important part of the inter-rail experience, but not necessarily considered as time wasted. Having time to sleep is a good example of how a relatively mundane activity begins to create experience, as one respondent suggested after having spent 3 consecutive days on the train, “we are sleeping most of the time, sleeping and drinking - its quite nice just to

lie around with each other and read a book – that's part of the journey as well, we see the journey as part of the experience". For other inter-railer's these moments of travel where nothing much happens became the purpose of their trip, as one reflected, "Its important I like having time to think when I'm travelling - You know why I'm travelling its kind of a philosophical thing – its like find yourself – if your travelling alone like me you want to get to know yourself more. I get time and space to think that's why I like to sit on the train". Travel-time, thus provides ample opportunity to daydream, to think, and to work out immediate and future plans. Making notes from guide books arranging possession and routing the way to hostels form an important part of an exit strategy. Moreover, the writing of diary's notes and postcards become an important means of cataloguing a trip, travel-time therefore becomes time to reflect on experiences had, as one inter-railer stated, "I use the time on the train to catch up on writing my diary. I'm writing the last 3 days now - its important because I want to look back over my summer and you don't always get the opportunity to write when your staying somewhere"

4.3 Inter-actions

When asked directly as to whether travel is seen as part of the experience most inter-railer's gave a resounding yes, but found it difficult to articulate reasons why. For many respondents travel-time provided an opportunity to meet like minded people, "The travelling is part of the experience for me, I find it interesting – it's just really awesome, you meet some great people". Others attributed experiences towards more traditional tourist values, "I think that this train travel its like part of the holiday, for instance I got the old regional trains it was beautiful views I really like it". For inter-railer's window seats seem to be a prize possession and in keeping with existing literature on tourist train travel gazing at passing landscapes is an activity most engage in, (Larsen, 2001: Dann, 1994), however, is perhaps an overstated part of the journey, "I always try to get a window seat ... but a lot of the countryside in Europe sort of all looks the same, generally its all fields and stuff , not , well sort of interesting – once you've seen it, it kind of all looks the same". Thus, passengers are not just passively window gazing but are active participants in creating experiences for themselves. Inter-railer's used the space of the rail carriage to facilitate communication and create ties, boarding a train in Serbia after a music festival groups of inter-railer's conjugated on the vestibule sharing drinks and stories of events, excitement ensued creating a party atmosphere. Here the space of the rail carriage forms a meeting ground for like minded individuals, and several spoke of a chance meetings with other travellers establishing a bond and travelling on together. Particular for independent travellers journeys were used as an opportunity to purposely seek out and meet other travellers as one expressed, "if I see any young people or other backpackers, that look genuinely friendly , I'll probably try and sit with them , earlier I was talking to a guy from Slovakia, yesterday I travelled with two other English guys. Often the short and transit nature of these encounters was part of the appeal, for instance, one respondent spoke in terms of delight that he was able to meet and talk to all kinds of people whilst travelling.

Core to many of the interactions inter-railer's have is the opportunity to receive and pass on information about places visited and journeys taken, as one inter-railer noted, "its good to listen to what others say and take advice after all their not going to be wrong". Information passed was most often about hotspots or places discovered and many inter-railer's found out about places previously unknown whilst travelling. Here the rail carriage forms a valuable space for not only finding out new information but a ground for communicating travel identities. For instance, there was a huge expression of interest when people spoke about going to the Ukraine and Belarus. Two experienced travellers made a point about comparing the ease of travel in central Europe compared to the Balkan and Baltic States.

This had a huge impact on those travelling, who themselves began to consider travelling further off the beaten track. Moreover, travel stories often go beyond the function of information sharing, travel-time provided opportunities to tell stories about life on the road, for instance, one inter-rail dramatised an adventure which involved him jumping off a slow moving train, another spoke about a long delay caused by lightning striking the track in front of them.

5. Conclusion

This paper has looked at the practices and activities of inter-railer's as they travel on trains through Europe. The ethnography suggests that core to the inter-rail experience are the benefits derived from travel. Travelling to as many places as possible, overcoming perceived barriers of travel and deepening knowledge of a transportation network become instrumental to creating a feeling of freedom and accomplishment, and seems an effective means of developing personal biographies of travel. Contrary to existing research on train travel-time, that often plays down the role of interactions with other passengers, time spent travelling is used by inter-railer's to create ties and bonds with travel partners. Inter-railer's are active in seeking out interactions with other travellers, and such interactions are not just a means of passing time but, an important way of relaying information and travel identities. Thus, cultural capital becomes accumulated through the activities and experiences engaged in and the opportunities to share stories with others. Although inter-railer's tend to construct narratives of journeys as free moving and adventuresome, train journeys can be a much more tedious encounter than many of these narratives of travel suggest and inter-railer's perhaps have a vested interest in exoticising journeys to create pleasing travel identities. However travel-time is rarely considered as time wasted and inter-railer's are active agents in creating experience for themselves. Time spent travelling provides inter-railer's with the opportunity to engage in a number of activities that are worthwhile and fundamental to their experience, including taking time out to time to plan and reflect on their trip as a whole, a downtime that is often missing in non-travel aspects of the inter-rail experience. Moreover travel-time provides the time and space needed for contemplating and self reflection and is considered important to the composition of identity.

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Successful Public Transport offers for Leisure and Tourism: some reflections on frame conditions and influencing factors based on case studies from Germany

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Abstract:

The role of public transport in leisure time is characterised on the one hand by a low share of the market and on the other hand a generally poor supply.

The article discusses the main factors for introducing a successful public transport supply in the field of leisure traffic. This refers not only to the quality of transport supply, but also recognizes the preconditions of travel behaviour on the whole. Beside these essential pre-conditions for implementing successful public transport supply, a second focus is set on the individual attitudes of the potential customers which have to be considered as well. An approach is presented, which allows an analysis of these individual attitudes by referring to a life-style approach.

Only the combined consideration of the offer and the demand side ensures the necessary conditions for successfully implementing public transport supply in leisure time.

Keywords: leisure time mobility, tourism, public transport, success factors, Germany, mobility

1 Introduction

The relevance of leisure mobility in today's traffic on the one hand and the low share of public transport within this segment on the other hand, define the starting point for this article. Seeing the huge number of qualitative research activities, concerning different mobility patterns (see for example Gärling et al. 1998, Hunecke et al 2001, Heath et al 2002, Freitag & Kagermeier 2002, Bamberg 2004) today's knowledge of the different qualitative factors influencing the mobility behaviour in leisure time has improved steadily. So the already existing wide knowledge on the quantitative factors has been supplemented by the qualitative findings, but still these results have not yet been taken into account for influencing the everyday mobility behaviour. Following up this article will focus on the options of transferring the scientific research results into practical implementation, when it comes to influencing the decision-making process for different transport alternatives in leisure time. Based on this guideline it will provide a number of necessary conditions for implementing new, attractive public transport supply in the field of leisure and tourism.

In a first step the necessary conditions for implementing successful public transport services, considering the scientific findings will be discussed, both on the offer and on the supply side. By accepting the strong impact of individual behaviour, shown by numerous qualitative results, the article will also stress the important role of the demand side. Therefore one of the central aims of the article is to stress the importance of a customer orientated line-of-action which will be discussed in detail in the final section of the article.

When talking about the role of public transport in leisure and tourism traffic one has to consider, that the initial position for public transport offers in the leisure and tourism market segment is of course marked by a strong position of the main competitor, the private car. Nevertheless this can be seen as a challenge to take a larger “piece of the cake”.

2 Necessary conditions on the supply side for successful public transport services

When realising the weak situation of the public transport in the field of leisure and tourism, the question appears in which way it is possible to raise the share of the market for public transport. Which conditions have to be considered to achieve a greater share of the market?

2.1 Transparency and quality of the public transport service

One essential structural pre-condition which often is not properly taken into account is the fact that – contrary to everyday traffic – leisure and tourism traffic is to a much wider extent done by choice-riders which can select between different transport opportunities.

Heinze & Kill (1997) stressed that the principle of freedom of choice, when it comes to customer transport alternatives in the field of leisure traffic, has crucial implications on the quality and transparency of the transport services. The basic condition therefore is quite evident and almost goes without saying: no one should try to enter the market if he cannot provide a high quality level of the service (c.f. Kagermeier 2002). This applies not only to the frequency with which a destination is served, but also refers to convenient relations minimising the necessity to change busses or trains. When talking about the quality level of public transport supply, a second, very closely related basic condition, which should sufficiently be taken into account, is the service level in the whole catchment area. It is not enough to provide high quality services only for the famous “last mile” leading to a destination or a leisure facility, one has to look at the whole transport-chain starting with the customers’ home. It would be useless to provide a service if a major part of the customers come from rural areas where only a minimal service level (especially during the weekend) is existent (see Heinze 2001, p. 250). So there has to be a high-quality supply of public transport on the entire route between the customers’ home and the destination. Various empirical evidence can also underline this fact.

In the context of a study done for the DFG (Deutsche Forschungsgemeinschaft/German Research Foundation), the visitors of four leisure parks, which can be characterized as edutainment facilities mainly aiming at the same target group (i.e. families with children), were questioned. Two of these facilities attract mainly customers from rural areas and two of them, situated right in the centre of the metropolitan area of Munich, attract mainly the inhabitants of the metropolitan area. Besides this different regional component, the institutions are very similar since the catchment area has a comparable size of about 90 minutes at all four facilities. The first example, the so-called “Dinosaurier-Park” is insufficiently accessible by public transport since it is serviced with merely four buses a day. So it is no wonder that almost no one uses public transport to visit the park (c.f. fig. 1). The second example – an open-air museum – is linked to the high-quality city bus-system of the medium-sized town of Detmold and is minimally served about every half an hour. This is enough to attract about 15% of the visitors for the public transport. Since it is quite difficult to reach Detmold by train, most people coming from the surrounding villages and towns in the region still use their own car. The third example in the

metropolitan area of Munich has a comparable service level to Detmold, but most visitors come from places that are served by metropolitan trains (which run about 2 times an hour). Here almost one third of the visitors took the trains and buses to reach the leisure facility of “Mensch&Natur”.

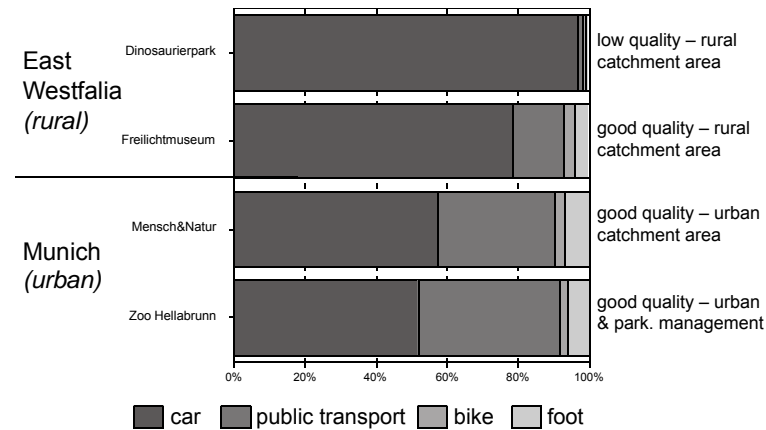


Fig. 1: Modal split in different edutainment facilities
Source: own investigation

The clear increase in the number of people using public transport in relation to the increase of public transport supply in the areas the people come from gives empirical evidence of the importance of good public transport supply on the entire way between the customers home and the destination.

2.2 Restrictions for the private car

Of course the quality of public transport is not a factor of its own; it is always related to the accessibility of the destination by the private car. Hence influencing the accessibility by car may also be a proper solution to improve the share of public transport. Of course when talking about restrictions for the private car, there has to be a clear monitoring of the impacts and the opportunity for the customers to switch to public transport. However if there is the possibility, managing of parking facilities can be a possible “adjusting screw” for influencing the choice of transport alternatives in leisure time. The effect of managing parking spaces can be seen at the fourth facility in this sample: the “Zoo Hellabrunn” which has about the same level of public transport services as “Mensch&Natur”, but in this case the visitors have to pay 2 Euros per visit for the parking space. This quite small amount helps to increase the use of public transport by another 5 percent (c.f. fig. 1).

In special situations it might also be possible to introduce clear additional constraints on the individual vehicle use, to improve the starting position for public transport supply. In the National Park “Bavarian Forest” there was the opportunity to measure the effect of additional constraints on private car use. The area of the national park open to the public for walking and hiking, has for the past years been served by buses (running with natural gas). The intensive marketing campaign for the so-called “Hedgehog-Bus”, is referring to

the German fairy tale of the hare and the hedgehog where the slow hedgehog wins the contest against the hare by using its brain.

Within the national park area two mountains, the “Rachel” and the “Lusen” attract more or less the same target group of hikers from almost the same catchment area. The starting points of the hiking routes for the Lusen are accessible by car at any time (sufficient parking spaces at low fares are available) whereas the access to the starting points for the Rachel are closed from 8 a.m. to 6 p.m. for private cars. In consequence – apart from handicapped persons only the “early birds” and the late afternoon visitors have legal access to the Rachel by car (c.f. fig. 2).

It is no surprise that – although there is an adequate and quite cheap public transport supply by the so called “hedgehog-bus” to both mountains, that the role of public transport is much bigger on the Rachel, where during daytime hours access by car is denied. In the framework of a student research project in 1997 only about 20% of the hikers questioned on the summit of the “Lusen” used the bus (c.f. Gronau et al. 1998). On the other hand three out of four questioned on the Rachel started their tour with the bus (apart from the “early birds” and the “semi-legal” users of the road; those who came with their car used alternative starting points at a greater distance from their hiking tour).

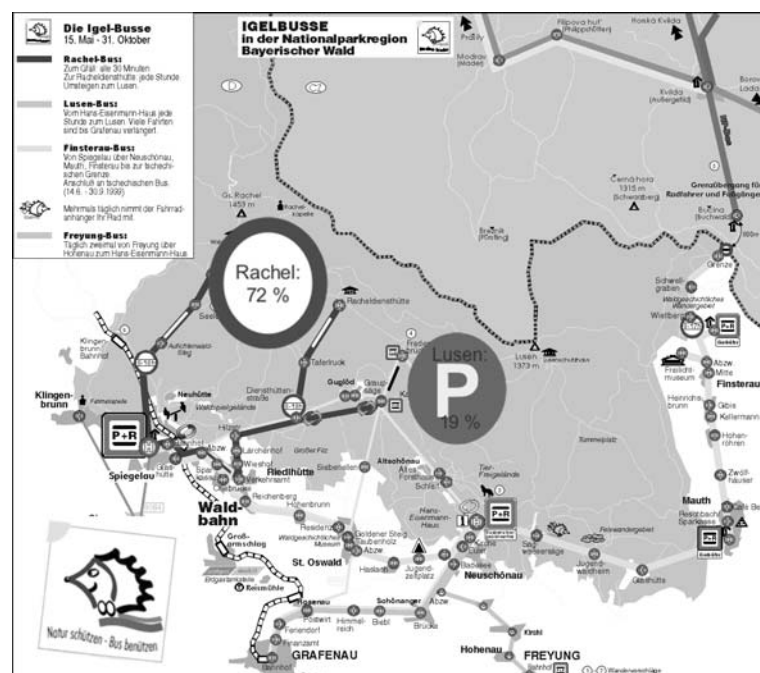


Fig. 2: The „hedgehog“-bus in the national park Bavarian forest
Source: Nationalparkverwaltung (modified)

2.3 New ways of marketing

Beside the idea of influencing the decision-making process by using restrictions, another more subtle way can also be chosen. When referring to the experiences in Germany, new ways of marketing are quite often a very accepted and at the same time a very successful

way. Apart from the traditional ways of marketing via different media and transmitting information to the customers by flyers, booklet, posters, radio spots, web pages and so on, new co-operations with other persons or institutions involved in the leisure and tourism market can help to strengthen the position of public transport in the leisure market. One should not underestimate their function as multipliers and disseminators of information with regards to the public transport service. In return public transport offers may increase the attractiveness of the leisure and tourism offer and as a result create additional benefit for both sides. One concrete example for a symbiotic co-operation between leisure facilities and transport organisations is the creation of tickets, which include the entrance fee for one or a group of leisure facilities, combined with the public transport ticket, the so called "combined-ticket" (see Gronau 2002 p.180). If commercialised in an effective way this kind of product provides additional advantages for the potential customer and can help to increase the number of bus users as well as the numbers of visitors at the facilities. These effects of combined-tickets can also be proven by empirical data. At the fringe of the metropolitan area of Munich a new fun and wellness bath was built a few years ago following a trend wave, which arose in the 90ies. The "Therme Erding" – as the bath is called – offers in co-operation with the Munich Transport Organisation a combined-ticket. With only a small supplement to the ordinary entrance fee the visitors can use the public transport in the whole metropolitan region. The tickets are sold everywhere in the region where it is possible to buy public transport tickets.

When questioning the visitors of the bath it was seen that only two fifths of them knew about this option, which means that important deficits still exist in the market communication of the product. On the other hand the results among those who knew about the offer quite impressively show the options of such cross-marketing. One third of the combined-ticket users can be classified as having a quite high affinity towards the use of their private car and a third of the combined-ticket users would have had a private car available for the trip. (see Gronau 2002 p.181) This shows a noticeable shift in the transport mode away from the competing private car.

2.4 Long-term effects

Another basic condition often ignored is the time lag needed for a newly established offer to reach a significant demand by the customers. This is especially true for transport services in the context of leisure and tourism, since the potential customers are not everyday users but frequent the facilities or destinations only occasionally.

Apart from the challenge for the already mentioned market communication activities, this also means that one should not expect an offer to be an overwhelming success already in the first season. In most cases it takes several seasons to get an offer going and for it to reach its saturation point of the possible market share. Once again a German example: the chosen figures refer to public transport offers for bicycle tourists in two low mountain ranges, the "Frankenwald" and the "Vogelsberg" region. In both cases it took about three to four years to achieve the maximum of demand for the given service (c.f. fig. 3). Some other examples from Germany show, that most organisations and local authorities get impatient if the demand is not sufficient in the first or at least during the second year. However it has once again to be stressed, that in the specific circumstances of leisure and tourism with occasional use and a mostly seasonable service, the time that is needed to get the necessary awareness for the service is significantly higher than in different settings. Therefore when it comes to the point of introducing a public transport offer for leisure and

tourism purposes one should be conscious that it takes a long breath until the demand peak is reached.

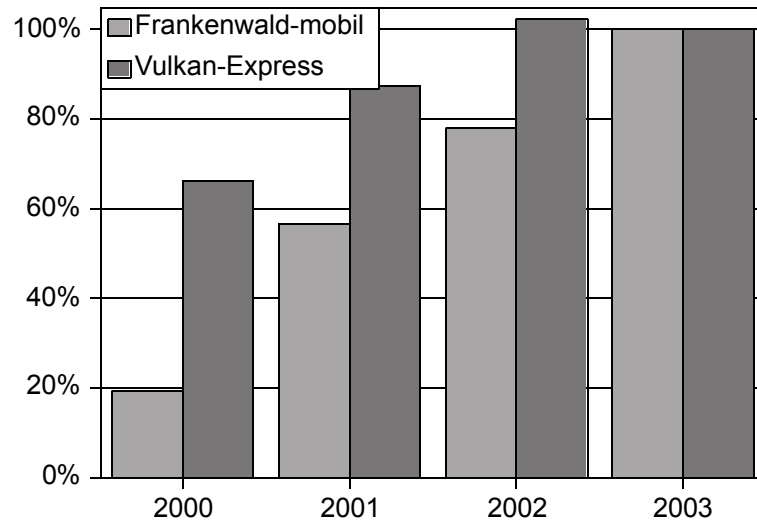


Fig. 3: Time-lag of demand reaction on a given offer
Source: own calculation based on Freitag 2005

3 Necessary conditions on the demand side for successful public transport offers

Following this already very long listing of necessary success factors, it has to be stressed that all the mentioned factors so far, still do not consider the demand side. As stressed in various other contexts, customer orientation is also a crucial aspect when trying to elaborate on transport supply for leisure purposes in tourism regions. This line-of-action refers not only to the quality of transport supply and the other demand side aspects previously mentioned, but also recognizes the pre-conditions of travel behaviour on the whole. As a result the second focus within this article will stress the influence of individual attitudes and standards of people towards more sustainable travel behaviour. It has to be realized, that these attitudes are more often the cause for not using the public transport, than public transport supply itself.

3.1 The image of public transport in the context of leisure

To approach the subjective dimensions it is first of all important to take a look at the findings of a few Psychology colleagues. When a representative sample of the German population was asked to what degree they associate means of transport with leisure time, the findings clearly showed that there is a substantial difference in the association of different transport alternatives and leisure (c.f. fig. 4). It is not really astonishing that "bicycle", "boat" and "airplanes" showed a high degree of association with leisure time, but one has to also consider that public transport shows a significantly lower connotation with leisure than the competitor car respectively sports car (see Fastenmeier et al. 2001).

Taking into account that these connotations also have an influence on everyday behaviour, it is important to find out more about the facts that underlie this low leisure-time connotation of public transport.

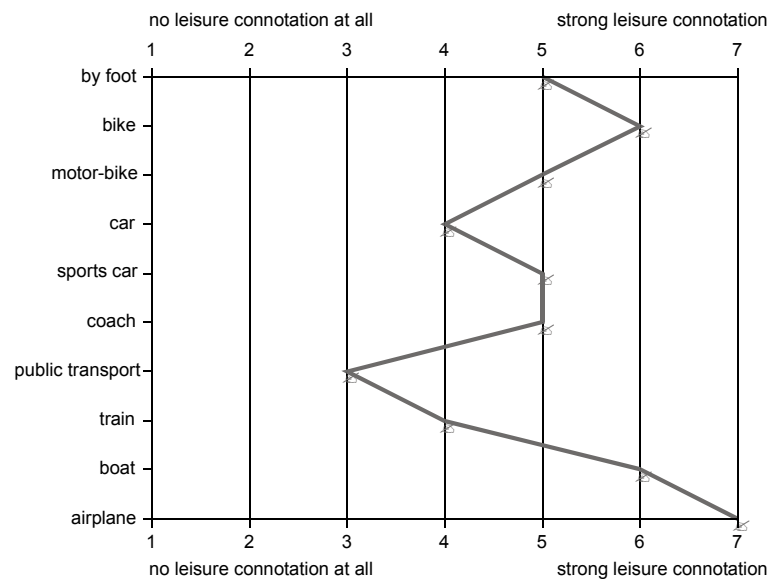


Fig. 4: Leisure connotation of different means of transport

Source: Fastenmeier et al. 2001

3.2 The role of the factor fun and the factor function

With reference to the different empirical studies, which identify the aspects of fun and function as the most important ones for the judgement of a transport alternative in leisure time, there was the possibility of constructing 7 life-style-oriented so called "Mobility Groups" characterised by a common way of estimating their reasons for choosing a transport alternative in leisure time (see Lanzendorf 2001). The construction of these groups is based on a household-survey including 2.000 Persons.

These "Mobility Groups", as a result of cluster analysis using a wide variety of different indicators for the interests of people in their leisure time but also for their preferences towards a transport alternative in leisure time, can help us get an idea of the causes for the low leisure connotation of public transport.

The figure 5 shows the different groups within a system of co-ordinates illustrating their perception of the importance of fun and function when choosing a transport alternative.

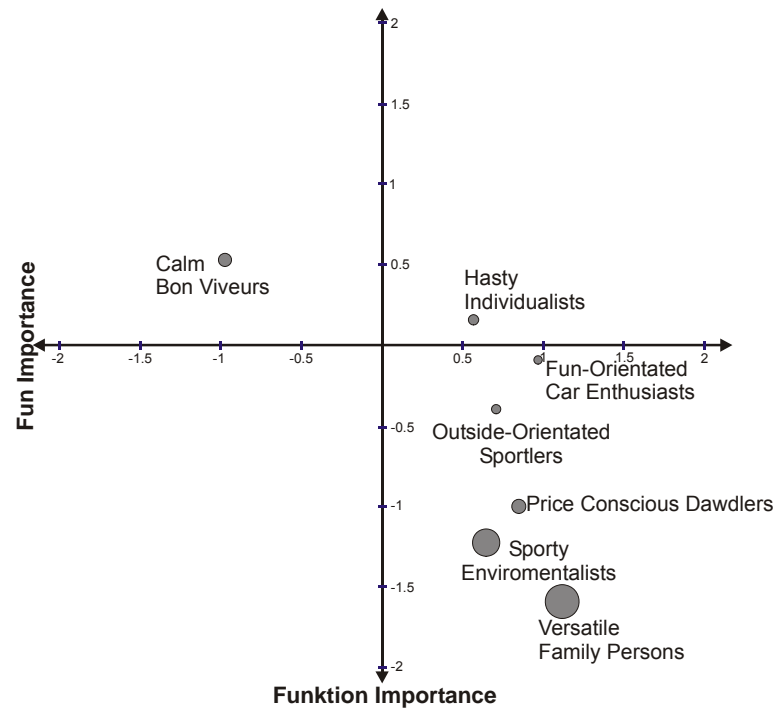


Fig. 5: Importance of fun and function for transport alternatives in leisure time by „Mobility Groups”
Source: Gronau 2004

With reference to the 5 grade rating-scale there is a range from -2 to +2, where the x-axis shows the factor “Function” and the y-axis the factor “Fun”. It becomes clear that in leisure time the main aspect for choosing a transport mode is the factor function but for certain groups the factor fun also becomes important (see Gronau 2005 p.114 ff). To receive a rough overview of the different groups it is possible to sum them up into just three specific types:

- The first type just emphasis the factor “Function” when it comes to choosing a transport alternative in leisure time.
- The second type more or less balances these two factors out and
- The third type, consisting just of one group, clearly prioritises the factor fun.

When viewing the sizes of the different circles as an indicator for the size of each group it became clear, that the groups summed-up in the first type could be identified as a clear majority.

By accepting the different emphasis of the main factors fun and function in each of the groups, a closer look at the connotations of every group on the transport alternatives car (yellow colour) and public transport (red colour) is able to supply a clear answer as regards the low leisure connotation of public transport (cf. fig. 6).

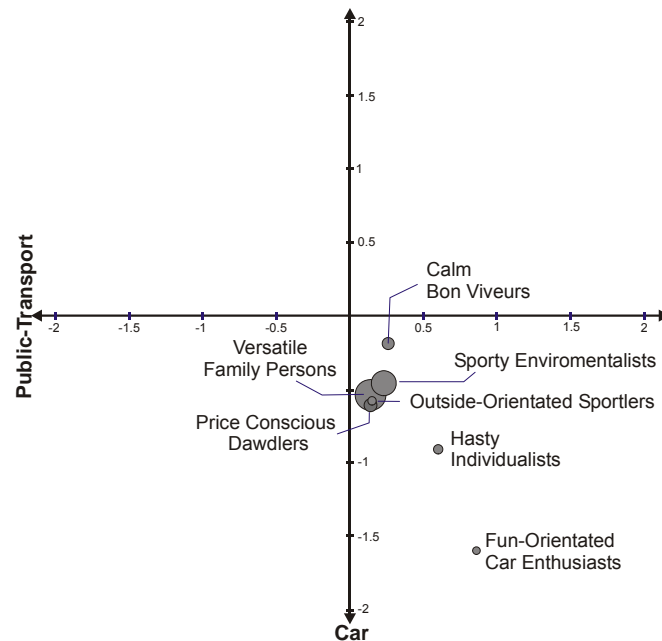


Fig. 7: Affinity for different transport alternatives in leisure time by „Mobility Groups“
Source: Gronau 2004

However on the other hand it also becomes clear that two groups show a clear refusal towards public transport, meaning that a highly improved system could also not be a real alternative for them. Hence these groups of people are likely to be very resistant to all kinds of efforts involving them in the public transport system.

Considering the theoretical development of this model of different affinities versus different transport alternatives, it is of course legitimate to ask: is this relevant in day-to-day life?

In an effort to answer these questions another empirical study was performed on 8 different leisure facilities to identify these mobility groups and their specific modal-split.

The first chosen example shows the situation at the zoo in Munich. The figure 8 shows the individual modal-split of three different mobility groups at the same location at the same time. The only difference between the groups is their affinity towards different transport alternatives. The figure shows a clear difference between these groups, with reference to their affinity. The use of public transport is almost twice as high when comparing the group of “Fun-Orientated Car Enthusiasts” and the “Sporty Environmentalists”.

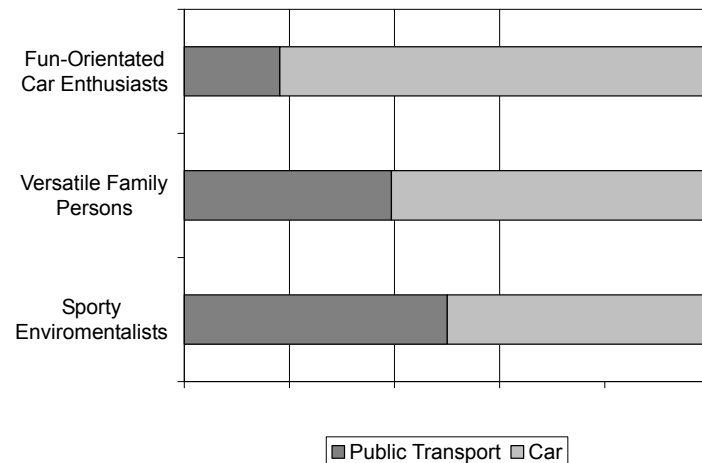


Fig. 8: Influence of „Mobility Groups“ I: (Location Zoo Munich)
Source: Gronau 2004

To show that this empirical result is not just accidental, figure 9 shows the same groups at a different location, a huge thermal spa, with quite a bad public transport offer.

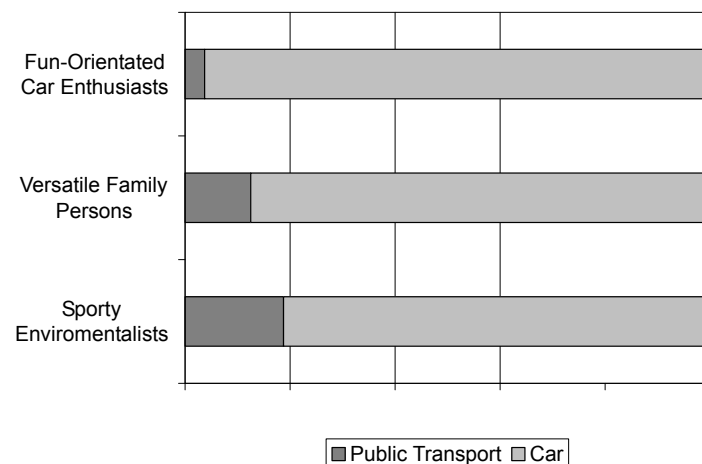


Fig. 9: Influence of „Mobility Groups“ II: (Location Therme Erding)
Source: Gronau 2004

Although the overall level of the use of public transport is much lower, the ranking of the groups remains the same and the differences between the groups become even bigger, stressing the role of the specific affinity. The necessary extra-time for the trip referring to the poor supply and the possible additional need of information related to a schedule, is only accepted by people having a clear affinity towards public transport. This selective effect in the use of public transport with reference to the different groups and their specific affinity can be identified in different intensities but is still significant for all groups at almost all other locations. Hence concluding one could stress once more, that this empirical study clearly showed the interdependency of the use of different transport alternatives and the

perceptions of the alternatives. At the same time however it clearly showed that for the majority of the groups especially the function factor has to be improved so as to raise their use of public transport. One does however have to consider the fact that there are groups, which cannot be gained for the public transport due to their disapproval of this means of transport. Last but not least the study showed that there is a clear potential for public transport in leisure time, but only when improving its spare-time services.

4 Conclusion

In conclusion the basic aspects for successful public transport in leisure time are (c.f. fig 10):



Fig. 10: Success factors for leisure and tourism transport

Source: own design

- the identification of the target groups at a given destination or leisure facility; only if the visitors show a certain pre-disposition towards the green mode the creation of a public transport offer should be pursued, otherwise the response potential would not be sufficient.
- The second aspect to concern is the quality of public transport within the entire catchment area of the facility, to ensure that the potential customer can arrive at the starting point in a convenient way.
- Since the degree to which a public transport offer meets a response at the demand side is also influenced by the relation between the conditions for private car-use and the quality level of public transport, the situation of the competitor should be considered as well.
- Only if these basic conditions on the demand side and those concerning the competition situation are favourable, the "traditional" aspects concerning the public transport offer at the given destination can be looked at. Too often this is the only aspect which is taken

- into consideration when trying to establish a public transport offer for leisure and tourism purposes, but as shown in this article this covers only a small part of the success factors.
- As soon as an offer is established – and this is another point often neglected – the finishing touch comes from the last success factor: an intensive, creative and continuous market communication.

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Impact of macro-environmental forces on airline business models: a case study of the influence of fuel pricing and fuel supply on airline business strategies

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Abstract

The paper investigates the ways in which airlines have adapted their business model to the risk of the unpredictable volatility in fuel prices. The overall objective of this study is to gain a better understanding of how a tourism transport business may remain competitive when faced with a strong threat in the uncontrollable external environment. The areas researched cover airline operations, marketing and business alliances. The research examines a wide range of secondary sources including aviation industry statistical reports and surveys as well as economic forecasts and business strategy texts. In addition, the author scanned up to the minute general and travel-specific media articles to record and analyze the strategies chosen by individual airlines.

While 2008 has seen a number of airline bankruptcies, the paper illustrates that companies have shown considerable creativity in their response to a volatile business environment.

Keywords. airlines, airline industry, airline business models, peak oil, oil price 2008

1. Introduction

2007 and 2008 have been characterized by an instability in the pricing of fuel supply which has led to a record oil price of 147 US\$ a barrel in July 2008. In addition, there has been widespread speculation on the phenomenon of “peak oil”, a theory that stipulates that the world’s oil production peaked in the 1970s and has declined thereafter.

Airlines are highly sensitive to the cost and availability of fuel. According to IATA (International Air Transport Association), the sharp increase in fuel prices has caused the industry losses of 5.2 billion dollars in 2008, with a further shortfall of 4.1 billion dollars forecast for 2009. 2008 has also seen numerous airlines fail or file for bankruptcy. Examples are the all-business class carriers, Maxjet, Eos and Silverjet and the low cost airlines Aloha, Frontier and LTE.

1.1. Definitions

Peak Oil

The theory of peak oil was first developed in the 1950s by M. King Hubbert a geologist working for Shell. The main tenet of the hypothesis maintains that oil production would necessarily decline after a given period, based on the correlation between both the exploitability of a region (rate of discoveries and known reserves) and market demands ("peak of supply", Schlumberger 2009). In addition, current forecasts also predict declining levels in availability of oil due to the theory of "peak of production" (Schlumberger 2009) which stresses the potential danger of current underinvestment in infrastructure, both for the extraction and refinery of oil. A study by Cambridge Energy Research Associates, an oil consulting firm (quoted in the New York Times, web edition 27 March 2009), reports that many producers are curbing investments because of the global slowdown and predicts "a powerful and long-lasting aftershock following the oil price collapse".

Airline Business Models

Traditionally, there have been two types of business models in the airline industry.

- Legacy airlines

Also called full-service airlines; these are the flag carriers of early passenger travel, whose main characteristics are convenience of hub-and-spoke connections through primary airports with global code sharing and extensive airline alliance agreements. A particular feature of legacy airlines also has been the availability of free services to passengers, such as baggage-check and onboard catering.

- Low cost airlines

Also called budget and no frills airlines; these are based on a pared down business model which centers around cost savings gained through higher utilization and quicker turnaround of aircraft, often at secondary airports. Some of these savings are passed on to passengers in lower fares. However, as the name no-frills indicates, any services beyond that of the basic air transport will have to be purchased for an additional amount by the passenger (onboard catering, seat selection etc).

The gap between these business models has been gradually closing due to both recurrent crisis situations that resulted in a temporary slowdown in passenger transport (the terrorist attacks of 11 September, the outbreak of SARS, the South East Asian tsunami etc) and to a marked increase in the competitive environment with many new entrants, particularly, but not only, in the large market areas of Europe and North America.

Situation 2007-8

While IATA reported a profit of US\$5.6bn in 2007 for the airline industry, the first after six years of losses (IATA CEO Brief June 2008), its statistics also show the increasing impact of fuel price on operation costs (see table below). While already an important feature in 2007 (with 28% of operation expenditure), the cost of fuel makes up 32% of operational spending in 2008.

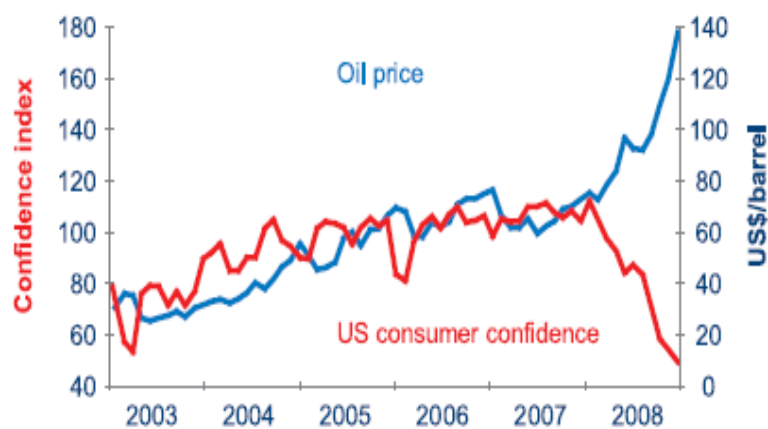
Table 1 Fuel Impact on Operating Cost (IATA Fact Sheet, www.iata.org)

Year	% of Operating Costs	Average Price per Barrel of Crude	Break-even Price per Barrel	Total fuel cost
2003	14%	US\$28.8	US\$23.2	US\$44 billion
2004	17%	US\$38.3	US\$34.5	US\$65 billion
2005	22%	US\$54.5	US\$51.8	US\$91 billion
2006	24%	US\$65.1	US\$65.0	US\$107 billion
2007	28%	US\$73.0	US\$81.1	US\$136 billion
2008 F	32%	US\$99.0	US\$93.6	US\$168 billion

2009 F	25%	US\$50.0	US\$46.8	US\$116 billion
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Towards the middle of 2008, this rise in fuel price also coincided with a pronounced decline in consumer confidence (notably in the important US market place, as evidenced in the table below).

Table 2 Divergence of cost and revenue drivers (CEO Brief, June 2008, www.iata.org)



Overcapacity was another of the industry's issues in 2008: IATA reports in April 2008 (CEO brief) that aircraft deliveries in 2008" will rise to 1,231 aircraft compared to the 1,041 delivered in 2007 [putting] further pressure on passenger load factors".

In January 2008, Giovanni Bisignani, IATA Director General and CEO, praised airlines for their great advances in cost savings, productivity and additional revenue raising (IATA Industry Times January 2008). In spite of this, as Table 3 shows below, profit margins were squeezed dramatically in 2008: operating profit margins fell to 0.4% while net profit margins declined to a negative percentage.

Table 3 IATA Industry Statistics (IATA Fact sheet, www.iata.org)

Global Commercial Aviation Industry	2004	2005	2006	2007	2008E	2009F
REVENUES, \$ billion	379	413	465	508	530	467
Passenger revenue	294	323	365	401	417	370
Cargo revenue	47	48	53	58	57	46
Traffic volumes						
Passenger growth, tkp, %	14.9	7.0	5.9	5.9	0.1	-5.7
Cargo growth, tkp, %	7.9	0.4	3.9	4.0	-4.5	-13.0
World economic growth, %	4.1	3.5	4.0	3.8	2.1	-1.9
Yield growth, %	4.5	4.0	6.9	3.6	5.6	-4.3
Yield growth, inflation/ex rate adjusted %	-2.0	0.1	3.3	-1.3	0.2	-1.5
EXPENSES, \$ billion	376	409	450	488	527	464
Fuel	65	91	107	136	168	116
% of expenses	17	22	24	28	32	25
Crude oil price, Brent, \$/b	38.3	54.5	65.1	73.0	99.0	50.0
Non-Fuel	311	318	343	353	360	348
cents per atk (non-fuel unit cost)	39.5	38.7	40.1	39.2	39.2	40.4
% change	1.4	-2.1	3.6	-2.1	0.0	3.0
% change, adjusted for ex rate	-2.4	-2.7	3.3	-4.1	-1.5	4.7
Break-even weight load factor, %	63.4	63.3	63.4	61.9	62.5	61.0
Weight load factor achieved, %	62.5	62.6	63.3	63.6	61.5	60.4
OPERATING PROFIT, \$ billion	3.3	4.3	15.0	19.7	2.2	3.0
% margin	0.9	1.0	3.2	3.9	0.4	0.6
NET PROFIT, \$ billion	-5.6	-4.1	-0.1	12.9	-8.5	-4.7
% margin	-1.5	-1.0	0.0	2.5	-1.6	-1.0

Note: 2004-2007 data sourced from ICAO, OEF and Platts. 2006 net profit figure includes IATA estimate of US restructuring costs. The ICAO figure for global profits in 2006 is \$3.1 billion. 2007 net profits were revised by ICAO in November 2008 and this change is reflected here. 2008-9 figures are IATA forecasts, except for the oil price, which is taken from the financial market consensus. Both yields and unit costs have been distorted in 2003 and 2004 by the significant fall in the US dollar. We provide estimates that broadly correct for this distortion but should only be taken as an indication of trend.

Updated: 3/2009 Next Update: 6/2009

Source: Industry Financial Forecast Table (IATA Economics)

2. Methodology

Research was based on secondary sources, ranging from aviation industry statistical reports, airline annual reports and surveys to economic forecasts and business strategy texts, as well as general and travel-specific media articles. Due to the limitations outlined below, it was mostly web based.

2.1 Limitations and barriers

Due to the closeness in date of the events to be analyzed and the intended nature of the paper as a case study, the author necessarily relied on general media sources for information to a greater degree than on academic texts.

Additionally, personal interviews with airline experts (both internal employees and external analysts) should ideally have been undertaken. This, the author had planned to do, but could not accomplish due to personal circumstances.

3. Findings

As pointed out previously, the airline industry had worked hard on increasing both revenue and profitability in order to counteract a decline in its fortunes since September 2001 and had in fact succeeded in turning profitable in 2007. The rapid and steep oil price increase of 2008 therefore hit an industry that had already streamlined its business management, operations and service provision and had been successful in raising ancillary revenue. The “oil price spike of 2008” (Schlumberger 2009) necessitated a revisiting of these new business models and resulted in further adaptations and innovations as outlined below. These changes have been grouped into the following categories of adaptive measures:

1. business management and operations
2. revenue streams

3.1. Adaptations in Business Management and in Operations

Financial hedging

Financial hedging describes the process of forward buying of a considerable amount of product, commodity or currency in order to guard the company from a forecast instability of pricing of the given product, commodity or currency. Within business management, rather than intended as a speculative measure, it normally aims to protect the company from an expected increase in operational cost and also helps to ease accounting, especially within an international environment.

- As applied to fuel

The practice of hedging against jet fuel cost increases became widespread amongst many airline companies from 2004 when it became clear that oil prices would continue to rise. As such, Schlumberger (2009) quotes Southwest Airlines as hedging its jet fuel purchases by 82% in 2004 and 60% in 2005. In its annual report 2008, easyJet states that its policy to hedge within a percentage band would continue for “rolling 24 months”. In 2008, this measure was deemed to have achieved a savings of US\$122 per metric tonne (at a stated average market price of US\$1070 per metric tonne and a hedging for easyJet of US\$948).

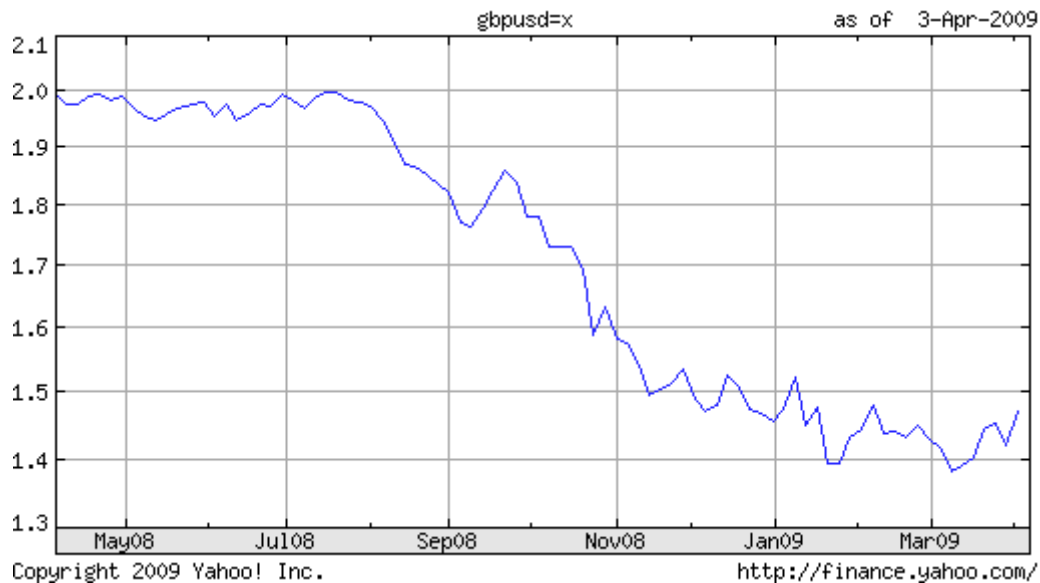
British Airways affirms that it “partially hedges” the risk of price volatility in oil and petroleum products by “purchasing oil and petroleum derivatives in forward markets” (BA Annual Report 2007-8).

- As applied to currency

Fluctuations in currency rates can expose airline companies to both transaction and translation costs, which is especially relevant to all non-US airlines since jet fuel is traded in US\$.

The graph below shows the depreciation of the £Sterling against the US\$ between May 2008 to March 2009. easyJet, whose accounts are rendered in £Sterling, is reported to have hedged 70% of its dollar requirement at a rate of US\$1.96 to the £Sterling, thus ensuring the company decreases its exposure to losses resulting from the depreciation of their home currency (Reuters 17September 2008).

Figure1 £Sterling currency fluctuations against the US\$



Consolidation through mergers, takeovers and business agreements

The airline industry increasingly looks towards consolidation for cost savings and new revenue streams. Combining back-office activities and joint purchasing of aircraft, fuel and ground services create economies of scales and of learning, while mergers and take-overs can reduce competition on certain strategic routes, therefore allowing airlines to raise fares.

- The merger of Delta and Northwest Airlines created the world's largest airline in 2008, reaching 379 destinations in 66 countries. The two companies hope that they can secure cost reductions of about US\$1billion a year by centralizing certain operations and cutting management jobs, as well as increasing revenue by combining route networks (The Economist April 17, 2008).
- American Airlines, British Airways and Iberia in 2008 signed a joint business agreement on flights between North America and Europe and plan to expand their global cooperation. The application is awaiting approval from the US Department of Transport.
- In October 2008, Lufthansa bought a controlling stake in bmi.

Capacity Cutting

Another cost saving measure is capacity cutting through reducing flight frequencies and air routes. The Official Airline Guide puts the number of cut airline seats at 46 million, and reports that American airlines decreased internal flights by almost 11% in 4th quarter 2008 (year- on- year figures). Similarly there are 83,000 fewer flights in the European Union (Economist, 22 October 2008).

- Virgin America, launched in August 2007, cut seat capacity by 10% in autumn 2008 by reducing flight frequencies on some routes during off-peak periods (wsj.com, June 18,2008).
- Southwest Airlines planned to drop 200 flights in the first quarter of 2009 (Reuters, 26 August 2008).
- American Airlines said that it would trim domestic capacity up to 12% in the last quarter of 2008 (Thomson Reuters 24 September 2008).

Grounding of aircraft and fleet updates

Airlines with an ageing fleet, such as Delta, NorthWest and American Airlines increasingly saw themselves forced to ground some of their non-fuel efficient craft. In autumn, Midwest Airlines pulled its 12-plane MD-80 fleet from service. In October 2008, CNN Business Traveller broadcast from the Mojave Air and Space Port, an “aircraft graveyard” in the Californian desert where older aircraft are stored in increasing numbers.

As a consequence, many airlines are updating their fleet by investing in new generation fuel efficient aircraft. In a news release (2009), British Airways states that it has now placed firm orders for a fleet of 11 Embraer E-jets (or efficiency jets) in an investment reported to be worth US\$376m. The new aircraft will operate on routes from London City Airport from September 2009.

Other measures

These include staff cuts (Midwest Airlines cut staff by 1200 employees, or by 40%) and attempts at lowering overall weight covered on board. In August 2008, Thomson Reuter reports how Philippine airlines were taking steps to reduce the amount of water and the food choice on board. US Airways pilots even took the unprecedented step of publishing a one page advertisement in USA Today, accusing the airline’s management of “a program of intimidation to pressure your captain to reduce fuel loads”. (msnbc, 16 July 2008).

3.2 Adaptations in Revenue Streams

In addition to cost reduction measure, airlines are also looking to earning additional revenue, both from “traditional”, core airline sources, such as fares and related charges (e.g. bag and passenger check-in), as well as new revenue streams (sales of financial products, transport tickets and tourism services etc). Particularly visible in 2008 were airlines’ so-called fuel surcharges, additional flat fees levied on passenger tickets according to distance traveled and determined by individual airlines, as a response to rising fuel prices.

Fare increases and different fare structures

Airlines internationally have had to abandon their promise of every day low fares in order to offset some of the increase in jet fuel pricing.

The table below lists an analysis of fare increases in US airlines in 2008 compared to 2007, undertaken by Farecompare.com. It involves a distinction between “base” or core fares and “fuel surcharge” increases. While United Airlines is identified by Farecompare as the airline most guilty of initiating “hikes”, other examples also abound. JetBlue used to cap tickets at a maximum of \$299 each way, regardless of the distance flown, however a transUSA ticket on the airline could cost up to US\$ 599 each way in June 2008 (NYTimes, June 20,2008). Similarly, US Airways eliminated so-called “ultra-low” fares as early as April 2008 (USAToday).

Table 4 Farecompare.com Airfare Hikes 2008

Year	Airfare Hike Attempts	Airfare Hike “Successes”	Attempted Base Airfare Hike Attempts	Attempted Fuel Surcharge Hike Attempts	Initiated Most Hikes
2008	22	15	11	11	United (13)

2007	23	17			United (7)
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Fuel surcharges

Although Ryanair proclaims that it will not impose fuel surcharges “not today, not tomorrow, not ever” (Annual Report 2008), other airlines have proved themselves less reticent as outlined in Table 5 below (www.ryanair.com)

Table 5 Europe’s fuel surcharges

Shorthaul	
Ryanair	£0
British Airways	£20
Lufthansa	€24
Air Berlin	€25
Air France	€31
KLM	€35

*Source: Airline websites and Press Releases as at 16.07.08

Long haul flights in particular suffered hefty additional charges as the example from British Airways clearly shows (British Airways News Release, ba.com, 29 May 2008)

“British Airways will increase its fuel surcharge on all tickets issued from Tuesday June 3, 2008.

The decision reflects continuing high oil prices.

The changes will mean:

- The surcharge for long haul flights of less than nine hours will increase by £15 per flight from £63 per flight (£126 return) to £78 per flight (£156 return)
- The surcharge for long haul flights of more than nine hours will increase by £30 per flight from £79 per flight (£158 return) to £109 per flight (£218 return)”

Most carriers that applied fuel surcharges were however at pains to point out that they would reduce the amounts as and when oil prices declines, as British Airways did in October and again in December 2008.

Other revenue streams

Airlines’ annual reports feature a strong growth in so-called ancillary revenues (i.e. all non-fare related revenues). Both Ryanair and easyJet reported strong growth in this type of revenue stream, which can itself be subdivided into two categories as outlined below.

- “Core” aviation related charges

Particularly prominent among this category are charges for checked bags, excess baggage, passenger boarding and seat selection.

Thus easyJet reports that “ a key element of revenue enhancement is the continued development of easyJet’s ancillary revenue stream. The checked bag charge, introduced during the year, has quickly become a strong contributor to total revenue. Speedy Boarding and Speedy Boarding Plus are recognised as valuable customer offerings generating consistently good revenue”. easyJet’s ancillary revenue increased by “114.5%,... principally driven by the introduction of the checked bag charge which delivered £144.1m of revenue” (both quotes from easyJet Annual Report, 2008).

In April 2008 USAToday stated that US Airways predicted that it would earn US\$70 million in 2008 and US\$100 million annually thereafter from charging passengers more for seat selection in economy and from a second bag check-in fee.

The table below illustrates AirTran Airways' complex fee structure for check-in bags and excess baggage.

Table 6 Baggage charges on AirTran Airways (www.airtran.com)

Baggage Allowance Summary	Fees (per bag)
1st checked bag: weight: 50 lbs. or less; dimensions: 61 inches or smaller Fee based on reservation booking date: Booked on November 12, 2008, or later Booked on November 11, 2008, or earlier	 \$15 Free
2nd checked bag: weight: 50 lbs. or less; dimensions: 61 inches or smaller Fee based on reservation booking date: Booked on August 14, 2008, or later Booked April 22 – August 13, 2008 Booked on April 21, 2008, or earlier	 \$25 \$10 online, \$20 at airport Free
Excess baggage (each piece after the first two bags)	\$50
Overweight baggage 51-70 pounds 71-100 pounds	\$39 \$79
Oversized baggage (length + width + height) 62 to 70 inches 71 to 80 inches	\$39 \$79

- “Non-core” aviation related revenue

A veteran among ancillary revenue raisers, Ryanair now offers multiple products and services for sale through its website and on its flights. Particularly innovative among these are Ryanair’s online gambling, prepaid master card and a holiday home letting web site, which allows owners of second homes internationally, one of Ryanair’s prime target segments, to rent out their villas and apartments across Europe (www.ryanairvillas.com, Thomson Reuters, 15 May 2008)

The so-called ancillary revenue stream has in fact been so successful and so readily accepted by airline passenger that the recent speculation regarding a potential fee for the use of toilets on Ryanair met with little astonishment!

4. Conclusions

This case study presents considerable evidence to support the assumption that the airline industry was forced to react in a fast, wide ranging and deep manner to the impact of the rise of the price of oil, a macro-environmental factor that remains strategic to the industry’s survival and development. While there were a larger than usual number of business failures, the author believes that the airline industry has shown considerable resilience and innovation in the face of great adversity. This spirit of flexibility will no doubt be tested further; in spite of a recent collapse of oil prices due to the global economic downturn, a considerable amount of discussion on blogs on peak oil centers around the risk that oil importing countries could act aggressively to protect their own interests when oil demand increases due to a return of global economic growth. This would therefore limit any cross-border cooperation within the likely context of peak oil within supply or production. The threat to air transport is therefore far from over.

2008 was also the year that facilitated a merging of airline business models. The Economist (5 June 2008) quotes Willie Walsh, CEO of British Airways as saying that “the era of very low fares is behind us... the industry has no future if it doesn’t price its costs”. In other words, legacy airlines and low cost airline models have now blurred to such an extent that there is little distinction between them any more (at least on domestic and short-haul services)

The author envisages further consolidation in the sector and applauds the proactivity of the industry’s representative lobby group, the International Air Transport Association. In particular, IATA Simplifying the Business project underlines the industry’s willingness to embrace new technologies and procedures aimed at increasing the efficiency of airlines.

The main tenets of the project are electronic ticketing *achieved by all IATA airlines on 1st June 2008) and the fast travel programme [sic], which stresses self-service in check-in, boarding and baggage retrieval (IATA 2009 Industry Priorities, CEO Brief December 2008).

IATA's Crisis Action Plan also emphasizes the need to "address the commercial barriers in up to 3,500 existing bilateral agreements" particularly in removing obstacles to market access, such as tariffs and capacity regulation and foreign ownership restrictions (IATA, CEO Brief June 2008).

This case study was intended as a snapshot of alterations in business strategy as practiced by the airline sector in 2008, the period with the most rapid increases in oil price in recent times. Follow up studies would of course need to consider additional changes in both the macro and micro environment, such as the global economic slowdown (from Quarter three 2008) and the ever-widening network of high speed trains in Europe.

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Urban Public Transport Reformation in Bali, Indonesia

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ABSTRACT

Bali is the first tourist destination in Indonesia. Unfortunately, the urban public transport network in Bali is poor. Therefore, traffic congestion has existed in many areas, especially in tourist destination objects and city centre. Public transport reform is, therefore, very important to increase the use of public transport mode and to maintain the sustainability. Traffic surveys were carried out in Bali by counting public transport vehicles and occupancies, interviewing the public transport passengers and non public transport users, drivers and institutional staffs, who involve in public transport management. This paper then analyses the plan to reform the urban public transport system in Bali, i.e. The Bali City Bus Reformation in the Sarbagita areas (Denpasar, Badung, Gianyar and Tabanan) as the urban areas of Bali. The problems for implementing the new public transport system were analyzed. Recommendations have been given to reduce the negative impacts in implementing this new public transport system.

Key words: urban public transport, traffic congestion, Bali, tourist

1. BACK GROUND

Sarbagita area consists of Denpasar, Badung, Gianyar and Tabanan regencies. These areas are in Bali island (see figure1) and famous as the first tourist destination in Indonesia. Denpasar itself, as the capital of Bali Province, has the population of 572,000. Therefore, a reliable transportation system is really necessary to support the mobility of the people. However, the existing urban public transport system is very poor.

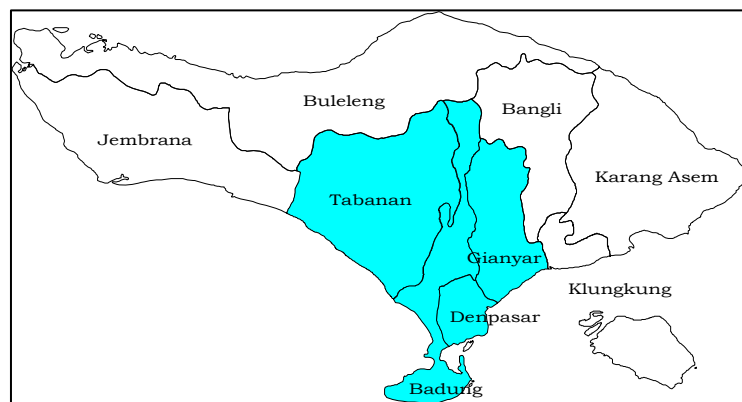


Figure 1. Sarbagita Area

Only a few people, i.e. 2.5 percent of the population, use it. There are about 459,000 private cars and 360,000 motorcycles and some tourist buses in Denpasar. The lack of public transport facility, therefore, has a major impact on the economic growth.

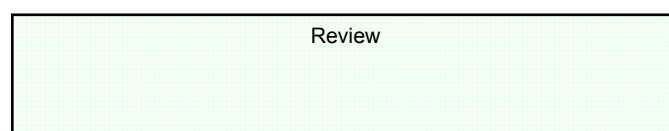
The main problems related to urban public transport in Sarbagita, as well as in other cities in Indonesia (Munawar 2008), can be expressed as follows:

- Urban society tends to use private vehicles due to the poor quality of public transport services,
- Urban public transport services can only attract captive passengers, who have no alternative other than public transport,
- Licenses are required by every organization that operates public transport services. However, it is important to note that the existing licensing structure aims to regulate the *quantity* of transport provision, but it is little concerned with *quality*.
- The route network has not been based on a comprehensive study. The local government does not actively plan the public transport routes.
- The bus can stop anywhere. Therefore, the time headway between buses is not fixed.
- The limited ability of human resources and the responsible institutions in the field of monitoring and control of urban public transport.
- Insufficient funds to renew the existing public transport vehicles.

It is, therefore, necessary to reform the urban public transport in this area to be more reliable, comfortable, efficient, faster and safer. However, because of the poor existing urban public transport system in Bali, as well as in other Indonesian or East Asian cities, the reform should be carried out carefully, step by step, due to social and financial problems (Morichi 2007).

2. METHODOLOGY

Flowchart of methodology is shown in figure 1 below:



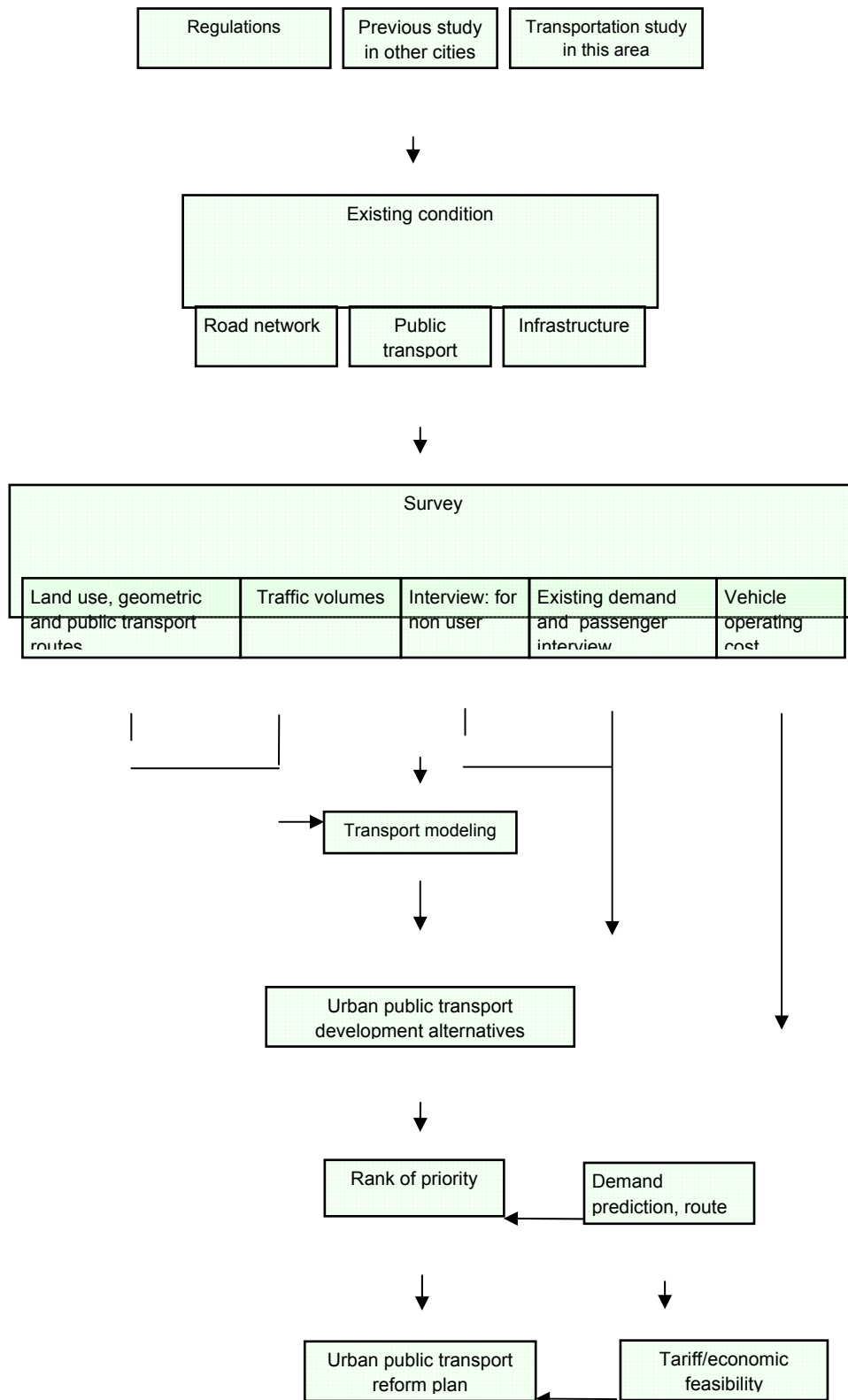


Figure 2. Methodology

3. EXISTING CONDITION

3.1. Road Level of Service

According to the traffic survey, the traffic volumes during peak hours are very high. In some road segments, i.e. in tourist destination areas: Kuta and Nusa Dua, the traffic volumes have exceeded the capacity. Traffic congestions, therefore, have occurred in these areas. Private transport modes dominate the traffic composition, i.e. motorcycles (53.24 % of the traffic volume) and private vehicles (38.91 %). Road widening is impossible due to space constrain. Fly over construction at intersection is either impossible. There is cultural barrier dictating that flyovers do not fit Balinese culture. The Balinese has a kind of rule that every building should not be higher than a coconut tree.

3.2. Urban Public Transport Performance

The number of public transport vehicles has decreased in the recent years. It is shown in table 1.

Table 1. Number of Public Transport vehicles

Regency	Number of vehicle in the year of:		
	2003	2004	2005
Denpasar	4087	2517	2822
Badung	3.650	3.650	3.650
Gianyar	379	302	335
Tabanan	484	429	429

Source: statistical data of Bali Province

Public transport demand is very low. It is shown in the load factor measurement. Load factor is the comparison between the demand and the available capacity for a trip (in %). The load factor for each route is shown in table 2.

Table 2. Public Transport Performance in Sarbagita Area

Route/Line	Load factor (%)	Journey time (minutes)	Average headway (minutes)
------------	-----------------	------------------------	---------------------------

Kereneng-Batu Bulan	48	14,58	5,84
Ubung-Tabanan	44	38,13	31,21
Nusa Dua-Batu Bulan	73	64,14	60,00
Tegal-Sanur	45	58,99	33,96
Ubung-Kereneng	60	12,64	24,08
Kereneng-A.Yani	13	16,24	57,5
Tegal-Tuban	20	55,11	23,80
Batu Bulan-Ubung	28	21,35	34,14
Tegal-Bualu	32	65,70	9,35
Ubung-Sanglah	29	45,70	34,32

Source: analysis of primary data in the year 2007

4. ANALYSIS

4.1. Preference Survey

Passenger interview has been carried out to get the passenger preference. Journey purpose for public transport user is shown in figure 3. More than 50 % of respondents use the public transport to work and to school.

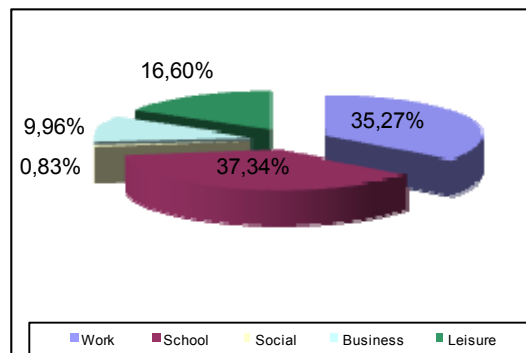


Figure 3. Journey Purpose for Public Transport Users

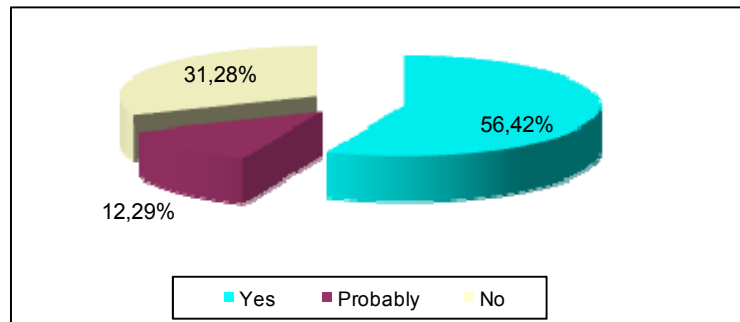


Figure 4. Percentage of Using Public Transport if the Quality is Better

Survey has also carried for the whole society (public transport users and non public transport users) to ask them about the willingness to use public transport if better quality public transport is provided, although the ticket should also be increased. The result is shown in figure 4.

4.2. Potential Demand

Potential demand analysis is important to predict the number of passengers in the future. Home interview survey has been carried out along the potential corridor of planned public transport routes. It has then been concluded:

1. During the first year operation of the new urban public transport system, the potential demand would be 10% of the total trips.
2. The demand growth is equal to the population growth.

4.3. Route Selection

The main criteria for route selection are as follows:

- a) Within potential demand area
- b) With best route directness
- c) Avoid route overlapping
- d) Avoid using narrow roads
- e) Good accessibility

4.4. Service Area Identification

The main factor to be considered is the potential travel demand. It has, therefore, been selected six potential corridors as follows:

1. Ngurah Rai Airport - City - Batu Bulan
2. Ngurah Rai Airport - Kuta - Kerobokan
3. Kuta - Gajah Mada - Hang Tuah - Sanur
4. Mengwi - City – Benoa

5. Darmasaba - A. Yani – Sanglah
6. Nusa Dua - Sanur (Jl. By Pass Ngurah Rai)

4.5. Route priority

Three out of six corridors will be chosen to be implemented first. There are six parameters to be considered to choose the route priority, i.e.:

1. Route length
2. Route directness
3. Potential travel demand
4. Accessibility
5. Overlapping
6. Connectivity

There are three alternatives:

1. Alternative 1: corridor 1 - 3 – 6
2. Alternative 2: corridor 1 - 4 - 6
3. Alternative 3: corridor 1 - 2 - 5

It has been concluded, that the best alternative for the first implementation is alternative 2, i.e. corridor 1 (Ngurah Rai Airport - Denpasar City - Terminal Batu Bulan), corridor 4 (Mengwi, City, Benoa), and corridor 6 (Nusa Dua - Sanur).

4.6. Bus and Infrastructure Designs

The bus is much more comfortable than the existing one. It is air conditioned bus. There is no exclusive lane for buses, because of the limited space available for traffic (see figure 5). Bus lanes are constructed near the bus shelters and in some places to reduce the journey time (see figure 6). However, the bus can only stop at a shelter, because the bus floor is 80 centimeters higher than the road pavement (see figure 7). The passengers, therefore, can only enter the bus at the bus shelter. The drivers and the crews will be paid monthly by this new organization, but they have to follow the regulations, i.e. bus time table, safety and security



Figure 5. Typical Cross Section

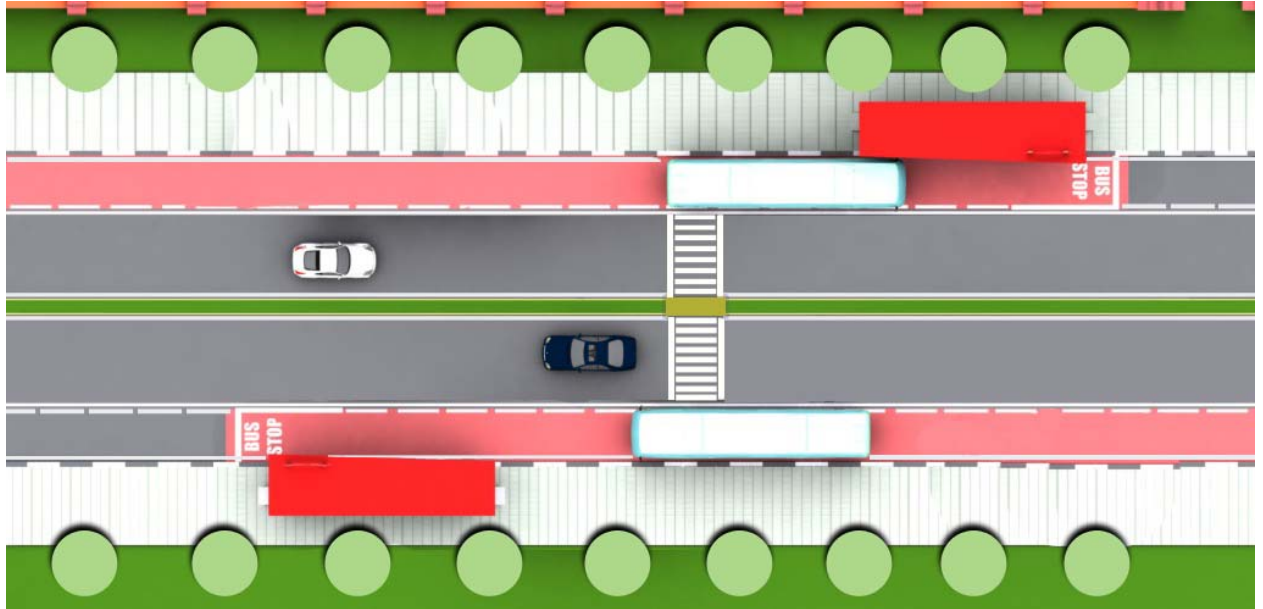


Figure 6. Lay out



Figure 7. Bus shelter

Smartcard has been employed for the ticketing system. Smartcard based electronic ticketing has been a common one in many countries. For rapid commuters, it is required a type of device to control and also to collect the ticket automatically. There are some types

of gate available in the market, but the price and also the cost for buying the device will be very expensive. It has been decided to build the gate locally, using local components for the mechanical parts and some of the electrical parts (Munawar et al 2007). This approach also gives benefits to the local home and small industry by promoting their products to higher level. In the figure 8 below, it is shown the design of the *Gate Access* turnstile device.

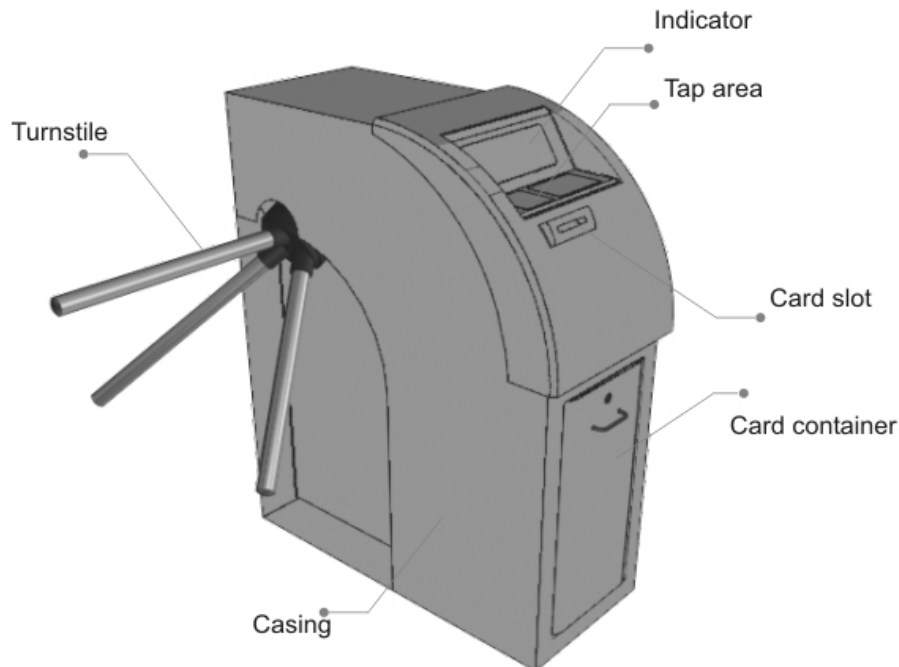


Figure 8. Ticketing Machine and Gate Access

4.7. Tariff

If there is no subsidy, the fare should be higher than the vehicle operating cost (VOC). VOC has been calculated based on the survey analysis, i.e.

VOC bus/km = Rp. 3,105

VOC per passenger per km = Rp. 208 (load factor 40 %)

- Average route length = 21 km
- Fare per passenger = Rp. 208 x 21 km = Rp. 4,368

It has been calculated to give 10% profit to the operator.

- Profit 10% = 10% x Rp. 4,368 = Rp. 437
- Fare per passenger with 10 % profit = Rp. 4,368 + Rp 437 = Rp. 4,805

However, if the fare less than Rp. 4,368, it should be subsidized by the government.

5. ORGANIZATION REFORM

The organization reform will reform the existing regulatory policies and operational practices. The bus management system will be changed to the new system, called *buy the service system*. The management will be organized by a joint organization among the government, existing bus cooperatives and bus operators. The existing bus operators will be included in the new system, but they have to improve the service and also bus quality according to the minimum standard.

6. CONCLUSIONS

This reform plan, hopefully, will give more reliable and attractive urban public transport in Bali. However, although this study was completed a year ago, unfortunately, it has not been implemented yet because of the social and financial problems.

7. ACKNOWLEDGEMENTS

The author would like to give sincerely thanks to the Directorate of Urban Transport System Development, Directorate General of Land Transportation, Indonesian Ministry of Transportation and Indotek Rekayasa Consultants Ltd for the support of this study.

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An application of Actor-Network Theory to understanding innovation processes in a winter resort SME

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Abstract: This research examines the innovations of a tourism company in a particular context (complex and unfavourable), that of French winter sports resorts. It rests on a sociological conceptual framework, that of the actor-network (known as the Actor-Network Theory), applied to the tourism sector. The results, coming from a multi-methods qualitative approach, show that the company's growth is related to the implementation of a socio-technical innovation: It produces new associations of actors and non-human entities. Thanks to its leader translator, the company manages to interest and enrol the involved actors in its project. The analysis helps ultimately understand how, within a tourist destination, existing resources can be reconfigured to create a unique and innovative product that will ensure the success of a company.

Keywords: tourism innovation; actor-network theory; winter sports resorts; destination management company; case study research; France

1. INTRODUCTION

This paper focuses on one aspect of a larger research project that was conducted on small businesses providers of sports and tourism-related services and particularly on their growth processes. The objective of this paper is to examine the innovation of a sports and tourism SME in a particular context that of French winter sports resorts.

Winter sports resorts in France are a complex system of action. They have specific operating logics, involve a wide variety of actors, and are composed of strong corporatism. Although most of them are still profitable, many work with a mature market with few prospects of development. Their ability to innovate is indeed questionable because they remain essentially designed for the (traditional) ski product.

But among these tourism destinations, some companies, providers of sports and tourism-related services, manage to experience strong growth. Their success begs

questions because these companies are paradoxically operating in this complex and unfavourable context. The purpose of this research was to understand how companies can succeed in this type of environment. Beyond the opportunities they can seize, the latter seemed to implement specific strategies, including the production of innovation.

2. APPLYING ACTOR-NETWORK THEORY (ANT) IN TOURISM

This research aims to understand whether the success of a winter tourism enterprise is the result of a specific innovation and if so, what the processes at work are. The actor-network theory (Callon 1986, Latour 2005, Law 1994), which focuses on the “collective” being formed, can help understand how a tourism innovation is produced.

According to this theory, collective action is a concatenation of actors and non-human entities. The latter are introduced in the analysis of the course of an action. They do not determine collective action and do not act like actors, but they take part in the action and ensure its continuity (they are the ones who make associations possible because they link up the actors and give meaning to the connections). So, for the theorists of the actor-network, collective action cannot be explained by “matters of fact,” or by the assumption that society would be only made up of interactions between social actors. They refuse to focus on a “made society” to the detriment of new associations and a network being formed. For them, to understand collective action, the researcher should accept the principle of symmetry which implies to exceed the usual opposition between nature and society, local and global, and take into consideration the heterogeneity of social, technical and natural entities. But what allows the networking of these different actors is a translation implemented through a translator. The translation is a series of successive transformations, redefinitions of the collective project (which may be part of a “superior common good,” Boltanski & Thévenot 2006), in which actors are mobilized through various ways.

Van Der Duim (2007) applied the actor-network theory to tourism. This author defines tourism as a hybrid collective in perpetual movement and introduces the concept of “tourismsapes.” For him, this network includes at the same time three components: Actors, non-human entities, and interactions. First, the involved actors are the tourists, the consumers of tourism services, and the providers who produce these services. Second, the non-human entities which can be of very diverse nature (objects, natural resources, information or means of communication, technologies, services). Third, there would be no tourism, or in other words, no “tourismsapes” without interactions; that is what connects these people and these non-humans. Van Der Duim’s analysis of tourism is well suited to a winter sports resort (which is a tourist destination), and helps highlight the hybrid network that constitutes the resort. All associations of humans and non-humans are around the skiing activity (it is indeed skiing as a non-human entity that links up all heterogeneous actors).

Furthermore, in the perspective of the actor-network, an innovation can be designed as a new concatenation of actors and non-human entities that is the object of a new translation. Therefore, to determine whether a growing company produces an innovation

within the winter sports resort, we must follow its production and discern whether the existing hybrid network – winter sports resort – moves, that is, if it evolves from the state of “tourismscales” with skiing as the “superior common good,” to another state. The innovation would therefore imply the presence of a new network, being translated by a change of the (usual) links between involved actors and non-human entities, and thus by a new “aggregation of interests” (Akrich Callon & Latour 2002).

3. A QUALITATIVE METHODOLOGY

This research followed an inductive (Glaser & Strauss 1968) and comprehensive (Weber 1978) approach. To understand the organizational process related to the production of an innovation in a particular environment, that of a winter sports resort, it was based on a monograph: A Small and Medium Enterprise (called Delta), provider of sports and tourism-related services in the French Alps, that is experiencing an explosive growth (in terms of sales, human, and material resources).

3.1. Presentation of the case study

Delta is a company with a particular positioning: It operates within the sector of business tourism. It is not involved in leisure tourism as most winter resort providers are. Also, within this sector, Delta addresses several commercial aspects. On the one hand, Delta is an incoming travel agency in the French Alps; it organizes and coordinates seminars and business events in winter sports resorts. This means that it assembles various services (accommodation, catering, transportation, activities, etc.) that are sold to the customers at an all-inclusive price. On the other hand, Delta produces activities for business tourists, sports or other. The firm produces its own services (using its own resources). Therefore, Delta offers, for business tourism clients, custom-made products ranging from simple activity or combination of activities, to all-inclusive products such as seminars. But to meet the specific requirements of its clientele, the company does not focus on skiing. It offers products known as incentive, which have a goal of stimulation, reward, or motivation.

Let us briefly present some of Delta’s products, in order to properly understand what the company produces and delivers. Delta offers a product called “Olympics.” This product is composed of several activities (different from skiing), organized on a reserved site of the ski area. To understand the originality of this product, we can mention some of the many activities which are untypical in the sense that they are very different from usual winter sports resort activities. There are, for example, sports activities such as sled dog, skijoring, ice diving, quad driving, etc. that are traditional but rare in resorts. There can be folklore activities (horse shoe pitching, initiation to alphorn music, etc.). Finally, the activities can be quite simply original such as “airboarding,” “snowscooting,” or “snake-gliss.” All these activities are most often offered in a competitive format. Then, the company sells “evenings with an altitude.” This activity is organized in a restaurant located on the ski area (usually

closed in the evening). Moreover, this evening is coupled with a sliding activity (different from skiing) which, according to the situation (depending on the location of the restaurant), is used either to join the establishment or to leave it. In the latter case, customers reach the restaurant after trail closure, either in tracked vehicles, by ski lift, or by foot, and they return (after the dinner) with a “snake-gliss” downhill ride. Finally, the flagship product of the company is the “tepee product.” It is a dinner or a lunch organized on the ski area, in special tents (tepees), with the comfort of a normal food service provider (floor, tables, benches, decoration). A decor is specially set up to create an atmosphere in agreement with the spirit of the American Indian evening. Animations can be held during the reception of customers or during the meal. Clients come to (and leave) the tepee camp, which is installed in a “virgin” site of the ski area (away from the groomed slopes), through various means of transportation.

3.2. Data collection and analysis

In a qualitative perspective, the first author of this paper implemented three different methods of investigation, whose triangulation of gathered data made it possible to ensure the validity of the research (Decrop 1999, Miles & Huberman 1994, Thietart 2001, Yin 2003): Participant observation (between 2003 and 2007, the first author worked specific periods of time for Delta as a project manager or as a seminar operator, over periods ranging from a few days to four consecutive months), in-depth interviews (which was the main method of collecting information for this research; thirty-four interviews were conducted), and collection of existing documents. Data were then submitted to a content analysis, and more especially to a thematic analysis of all (fully transcribed) interviews and collected documents (Bardin 2007).

4. A CASE OF INNOVATION IN WINTER SPORTS RESORTS

Let us first state the course of a usual winter sports resort customer. When a tourist comes in a winter resort, he or she looks for hospitality services (accommodation and food services), rents ski equipment, buys a ski pass, takes ski lifts to go up the slopes, and goes down skiing. He or she may also take lessons with a skiing instructor. In the evening, the tourist can do other activities such as shopping or recreation. This connection of humans (hosts, tracks and lifts operator, activities providers, tourists, etc.) and non-humans (lodging, ski lifts, skis, etc.) corresponds to the usual hybrid collective of a French Alpine resort, to the “tourismsapes” (Van Der Duim 2007). However, when a Delta customer comes to a winter sports resort, the deployed associations are different. Delta wants to do different things to its customers, in different places, but with the various existing actors and resources of the resort.

4.1. A displacement of the network: New hybrid associations

The use of ski area

For the implementation of its untypical products, Delta uses the ski area. The company first needs to have access to the ski area because it must take its customers to the place where the service will be delivered (altitude restaurant, tepees camp, and various sites for activities). Entering and circulating within the ski area normally occur through ski lifts (to take skiers up the slopes) or on ski. In the case of Delta, it can be conducted in various ways. Access to an altitude restaurant, for example, can occur through a specially opened ski lift (after the closing of the ski area) for Delta to transport pedestrian customers. Sometimes, these ski lifts can even, at Delta's request, be required to operate the descent, that is, in the opposite way of their "normal" working order. Moreover, to reach the tepees and activity sites, customers must move by foot on pedestrian paths specifically groomed by the tracks operator, and sometimes on ski slopes. This behaviour is *transgressive* because the use of these is normally, by law (Mountain Law of 1985), reserved for skiers. Delta therefore needs a special authorization from the tracks operator.

Secondly, for the delivery of its products, Delta operates the ski area for other purposes than skiing. It uses spaces away from the tracks (those are part of the ski area, defined by French law as the gravitational area accessible from the highest ski lift), to establish tepees and organize lunches or dinners, to set up the various "Olympics" activities. It also uses ski slopes to carry out snake-gliss downhill runs by night. However, the use of those slopes is, on the one hand (as stated previously), reserved for skiers, and on the other hand, limited to the opening hours of the ski area.

In conclusion, Delta mobilizes non-humans available in winter sports resorts (ski area included ski slopes, ski lifts, etc.), but the company does it in an unusual way. It allocates new functions to them in order to offer its untypical products: Delta transforms the roles of these non-human entities.

The professions gap

For the installation of its tepees on the ski area and for the realization of its activities, Delta solicits the tracks operator. Although the tracks operator's mission is usually limited to working the areas that are used for skiing, at the request of the company, the actor specially grooms some areas of the domain. Also, Delta pays the tracks operator to groom the slopes to repair the damage done on the ski slopes when they are used at

night during company activities. This helps retain this actor, who is very attached to the quality of the slopes he manages.

In addition, to organize lunches or dinners in tepees and to implement specific activities, Delta needs the cooperation of providers (such as a caterer, a disc jockey, an alphorn player). They must come to provide their service in unusual places, with all the constraints that this implies: Pedestrian access to the site or snowmobile access when there is consequent material to transport (but in this case, it can only be done in the morning before the tracks open for business or in the evening after their closure, even when the service is scheduled to take place several hours later). This particular logistic is imposed by Delta.

The company thus diverts not only the non-human resources related to skiing (ski area included ski slopes, ski lifts) but also actors. For the tracks and lifts operator, for example, this is done through several approaches: Spatial, commercial, and temporal. Indeed, Delta involves the actor away from his usual geographical field of intervention, beyond from his normal professional responsibilities, and beyond his normal working hours.

Security and legality

Moreover, Delta even manages to change the normal activities of actors to adapt to the requirements of specific services rendered to the company.

Indeed, to ensure on-site security (and to cover company liability in case of accident) during its services, Delta uses certified ski instructors, who are sports graduates with true emblematic status in the resorts. These actors normally supervise skiers, on the slopes, during the day. But the company asks them to supervise its customers during the pedestrian paths (not on skis), to oversee snake-gliss downhill runs or other activities such as airboarding on the ski area but apart from official hours of operation. Similarly, Delta subcontracts to the tracks operator the presence of ski patrollers, normally responsible for securing the ski area and interventions in case of skiing accidents, during the day, to ensure security during snake-gliss downhill runs by night.

Furthermore, to assure that services are produced and delivered lawfully, Delta seeks and obtains permits. The tracks operator signs an agreement with the company for tepee site selection and the organization of activities on the skiing domain. The mayor, in particular, writes a specific municipal bylaw or ordinance so that a private actor, in this case Delta, could use the ski area for other purposes than skiing.

Thus, if any travel agency could use existing resources in a winter sports resort, Delta, specifically, uses and operates these resources in a different way. While the company could develop a “classic” tourism activity (a skiing tourist package), the company decided to position itself outside of the existing associations and practices taking place in the resort. It changes the main function of the tourist product, and for that, operates many displacements, reinterprets the physical entities. It changes the usual links within the resort by transforming the role of actors and non-humans.

The deployment of associations operated by Delta shows therefore unseen assemblies of human and non-human actors and it is this concatenation of heterogeneous actors according to new combinations, to create untypical products, that represents a real innovation in the tourism sector; especially in French winter sports resorts where the configuration of services is at the very least static (mainly focused on the ski activity).

But this innovation process raises questions. What is the origin of these new assemblies? How does Delta manage to create links and make actors cooperate while other companies cannot (creating competitive differentiation)?

4.2. What ensure the success of the Delta's innovation?

A particular vision of the tourist product

The innovation appears first as the result of a particular positioning of the Delta's leader. He continuously looks for originality for his products, and has specific requirements regarding the security.

For him, company services must be able to surprise customers. That's why he wishes to achieve unique service bundling. The "tepee product" is one such example. Delta installs tepees in "virgin" spaces in the middle of winter, away from the usual hospitality places, away from roads, and brings here customers for lunches or dinners. The originality of Delta consists in bringing an "adventure" to the public in a wild (natural and non-built) but controlled environment, sometimes with important customer flows to manage, while overcoming the numerous problems (in terms of implementation, of physical accessibility, of security and legality) associated with being in a mountain environment and operating a ski area in an unusual way (for other purposes than skiing).

In addition, for the leader, the conception of a product also includes a safety requirement and liability coverage in case of accident. The leader plays on this aspect, seen by external actors as a proof of "seriousness" and "professionalism" of the company. It is from this perspective that he tries to structure and formalize his relationships with the stakeholders. But the analysis shows that his actions go far beyond what is normally required, especially when he has city hall make a local municipal ordinance exclusively designed to carry out his activities in the area, when he signs an agreement with the tracks operator for the establishment of tepees on the ski domain and the delivery of his products after the ski area closure, or when he hires State-certified skiing instructors to oversee non-institutionalized sports activities. The company does not use the skiing area in a common or traditional way and this unusual usage generates security and liability problems that must be solved creatively.

A leader translator

Innovation is therefore related to new company networks that are linked to the leader's vision of his tourism product. But it does not only happen because the company

leader has an innovative positioning: This entrepreneur is also a translator. He has the capacity to interest and to enrol the actors, those that allow the innovation to take place.

Let us first present the profile of Delta's leader, with his various rationalities. Delta's leader followed a sports management education; he had a professional experience in sports and tourism before the establishment of his company, and has athletic abilities that are, paradoxically for a winter sports business person, in no way related to skiing. In addition, his company relates to him and his personal interests; he is passionate and he wants, for example, that his company enable him to satisfy his passion for sports and travelling, and allow him to accomplish his creative desires. Finally, Delta's leader is not a native of the Alps and yet he appears as an actor who is well-integrated, recognized by the mountain environment stakeholders. Moreover, his communication skills and his values make him a man to be trusted by most of the actors who consequently want to work with him.

The analysis shows that these are the specific characteristics that allow the support of actors for the Delta project. The leader appears to be the legitimate translator. He has the necessary legitimacy with all stakeholders to mobilize the collective and to operate the displacements. He manages to involve the actors by making them participate in the innovation that his products represent. Thanks to his intrinsic qualities (his emotional rationality, his interpersonal capabilities, his values, his insertion in the mountain milieu and his reputation) he manages to recombine, to reinterpret actors and non-humans, to operate many redefinitions, and thereby to get the support of all involved actors.

5. CONCLUSION AND IMPLICATIONS

The objective of this research was to understand how an incoming tourism business (Delta), in a winter sports resort, succeeds in an environment that focuses on the skiing product. In the theoretical perspective of Actor-Network Theory, we explained that a winter sports resort can be considered as a hybrid network, specifically designed for the skiing product. However, the Delta company arrives in this stabilized environment to market something other than skiing and experiences strong growth. The analysis shows that this corporate success stems from the fact that an innovation is being implemented (Latour 2005): The company produces new associations of humans and non-humans, and thus moves the existing network.

A number of conditions are met so that an innovation can exist: There are mobilized external resources (actors of the resort, the ski area, the ski lifts, etc.) and an innovative leader with the capabilities to identify market expectations and to develop an appropriate service (original and secure). However, these conditions are necessary but not sufficient to ensure the success of the innovation. The Actor-Network Theory highlights that innovation is not a linear process with "key success factors" but rather a whirling process. The innovation succeeds because Delta's project is carried out by a network of actors and non-human entities. But, to get the necessary support from the various stakeholders, the project has to be the subject of a translation with each of them. Actors are interested and

enrolled through many devices in which Delta's leader appears to be the legitimate translator.

Few researchers have used the actor-network theory to understand innovation processes in tourism. However, this approach is particularly relevant, as we have seen, to study tourism phenomena and growth processes because it conceives the society being made and not the "made society." It focuses on new associations and networks being formed. Next to this contribution to knowledge and theory, this research is also source of lessons for practitioners: It shows that, contrary to most current claims, it is the concatenation that can be novel, and not the actors or the non-human entities. The innovation relates here to a different association logic. This research helps ultimately understand how, within a tourist destination, existing resources can be reconfigured to create unique and innovative products that will ensure the success of a company to the benefits of all actors and to the destination.

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Indirect taxes and subsidies for international tourism passenger transport and conflicts with climate policies: a European case study

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ABSTRACT

European Union Policies aimed at reducing climate change require a shift from high to low carbon emission modes. Indirect fiscal instruments (VAT, excise duties and others) could be used. Research into four popular tourism routes within Western Europe was done. Four different transport modes were taken into account. Consumer prices and tax burdens were calculated and compared. The outcomes show a clear competitive advantage of air transport over the other transport modes mainly due to huge tax exemptions granted. But these exemptions are only one way of (indirect) subsidizing the EU transport sector. Other subsidy measures and external costs have to be included as well. Big differences among EU member states are found. Need for more EU coordination is stressed to arrive at the EU goal of one competitive level playing field benefitting the environment-friendly transport modes.

Keywords: Indirect tax coordination, market-based instruments, international passenger transportation

1. INTRODUCTION

In the discussion on climate change and tourism passenger transportation the focus is on air travel. The contribution of the airline sector to climate change per passenger kilometre is relatively high compared to other sectors, especially service bus and train. From the perspective of lowering GHG emissions rapid growth of holidays by air is therefore undesirable. Differential (indirect) taxation is one of the instruments that could be used to slow down the growth of air transport in favour of less polluting transport modes. At the moment, large differences exist between the indirect tax regimes of different tourism passenger transportation modes within (European) countries. Apart from different national fiscal regimes, these differences are caused by several national and international treaties and regulations. In order to find out the current state of affairs with regard to (differences in) transport taxes, we conducted research into four popular international tourism passenger

routes within Western Europe in August - September 2007: Amsterdam/Utrecht/Eindhoven - Barcelona/Gerona v.v., Amsterdam/Utrecht/Eindhoven - London v.v., Amsterdam - Zurich v.v. and Amsterdam/Utrecht- Berlin v.v.

Reasons to opt for these routes were differences with respect to distance, diversity of transport alternatives, shares of transport modes, as well as differences in fiscal regimes between countries. Four different modes of transportation were taken into account: private car, scheduled service bus, train, and airline carrier (both low cost and flag carriers). Two time periods were selected. Consumer prices per route were calculated and compared for each mode and period. Next to VAT, other taxes (including toll collections) and excise duties per route and period were calculated and compared.

The focus of this paper is not solely on differences in taxation due to differential exemptions. Other ways of (indirectly) subsidizing the respective transportation modes will be taken into account as well. Furthermore, instruments to further internalize the external transport costs will be discussed. The central focus will be on the European Union policies, or better lack of policies, concerned.

2. METHODS

2.1. Routes and time periods

For all transport modes – except for the private car – and all routes – except for the train route Utrecht - Barcelona v.v. - we used internet to find out about consumer prices (all-in) for 2 adults on 6 August 2007. Two different time periods were chosen to show the influences on consumer prices of short-run booking compared to longer run booking. The obvious results in almost all cases were (much) higher prices for short- run bookings. Booking early pays off. These prices served only as indications. The exercise was specifically not aimed at getting the lowest price for all available alternatives. Time period 1: Outward on Saturday 11 August 2007, and return on Sunday 19 August 2007. Time period 2: Outward on Saturday 20 October 2007, and return: Sunday 28 October 2007.

Consumer prices (all-in) for the train route Utrecht - Barcelona v.v. for time period 2 were collected via a Dutch train holiday specialist on 23 August 2007. The time period 1 differs from the above mentioned: outward on Saturday 25 August 2007, and return on Sunday 2 September 2007

For the routes by air (Economy Class) two carriers were chosen per route: the Dutch flag carrier KLM and an LCC if available. Amsterdam - Zurich v.v. was served by KLM and another flag carrier Swiss because no LCC operates this route, Amsterdam - Berlin Tegel v.v. was served by KLM and LCC Transavia, Amsterdam - London Heathrow v.v. was served by KLM and Eindhoven Airport – London Stansted v.v. by LCC Ryanair, Amsterdam – Barcelona v.v. was served by KLM and Eindhoven Airport – Gerona v.v. by LCC Ryanair.

All destinations by bus were served by Eurolines via the routes Amsterdam – Zurich v.v., Utrecht – Berlin v.v., Utrecht – London v.v., and Utrecht – Barcelona v.v.

The train routes were Utrecht – Zurich v.v. and Utrecht – Barcelona by night train, Utrecht – Berlin v.v. and Utrecht – London v.v.

2.2. Calculations

Airline

Total tax burden is less than 1% of total costs. Only exceptions are the flights from the United Kingdom due to the UK Air Passenger Duty of 10 British Pound for European destinations (HM Revenue and Customs UK 2003, Ryanair 2007). Unlike the airport duties, this duty is not paid to the airport concerned but to the National Exchequer. Apart from this duty, the only airport duty that is included as an explicit duty in the calculations is the Schiphol Airport sound insulation surcharge of €2 per person charged on the airline companies and subsequently the passengers. All other airport and airline duties are payments for airport and airline services rendered and therefore not considered to be extra taxation measures (Ryanair 2007) ANVR (2006) gives a clear overview of the Dutch “jungle of taxes and duties in the airline sector”. See Keen et al (2006) for many more countries.

Due to international agreements, a 0% VAT tariff applies to international passenger transport by air (Meijers 2005, Keen et al 2006, Blijswijk et al 2007). Furthermore, no VAT and/or excise duties applies to airline fuel (European Commission 2007a and 2007b, ICIS 2005), but a 19% VAT tariff applies to passenger air transport limited to the Netherlands (Blijswijk et al 2007), while €209.58 excise duty is charged per 1000 litres of kerosene (European Commission 2007a). In the EU all member states except Denmark, Ireland and the United Kingdom levy VAT on domestic aviation services. With the exception of Germany and the Netherlands, lower rates than standard are applied (Keen et al 2006, European Commission 2007b).

Auto

The tax burden of the auto is by far the highest of all transport modes. Almost all costs included in the all-in kilometre cost price (depreciation, fuel, repair and maintenance costs) are taxed with the highest 19 % VAT tariff (Shell 2007) Furthermore:

- 45% of the Dutch litre price of petrol consists of excise duties (Shell 2007).
- Annual payment of Dutch road tax.
- Dutch special purchase tax on private autos and motor vehicles (BPM) that burdens the purchase price and consequently the depreciation costs.
- Toll collection (including VAT) in several European countries: France, Spain and Switzerland (toll road sticker)

The crossing to England is by ferry from Calais-Dover v.v. operated by Sea France. A 0% VAT tariff applies and no other taxes are included (Blijswijk et al 2007).

All cost calculations are based on the use of a randomly chosen car in the medium-price range, the Volkswagen Golf Plus 1.6. FSI Comfort with a basic price of €26,570 including BPM and 19% VAT over the price exclusive of BPM (ANWB 2006). It is assumed that fuel

for the car is only bought in the Netherlands resulting in an underestimation of the real differences in excise duties and VAT charges on fuel between the different countries (European Commission 2007a, Jantzen et al. 2001, Ministerie van Financiën (Dutch Ministry of Finance) 2007, Peeters et al. 2007, United Consumers 2007).

Bus

The tax burden of the bus consists of excise duties on the diesel oil, toll collection in various countries, Dutch road tax and VAT. The VAT levied on fuel is excluded because bus companies can reclaim it from the respective countries' tax authorities. Like the international airline and train ticket, the 0% VAT tariff applies to the international bus ticket as well (Veolia 2007, Blijswijk et al 2007). The VAT over the transport performance / turnover within each specific country has to be handed over to the tax authorities concerned. While the Netherlands applies the 6% VAT tariff, Belgium applies the 6% tariff, Germany the 19% tariff, England and Luxembourg the 0% tariff, while France, Spain and Switzerland collect toll instead of VAT (European Commission 2007b, Blijswijk et al. 2007). For reasons of competition there were no precise company data available on the transport performance / turnover for each separate country. Conservative estimations were made instead. This cross-border VAT comparison clearly illustrates the lack of indirect tax harmonisation within the EU Common Market.

Train

The 0% VAT tariff applies also to International train tickets (Blijswijk et al (2007). This sector is also obliged to hand over the VAT over the transport performance / turnover within each specific country. While the Netherlands applies the 6% VAT tariff, Belgium applies the 6% tariff, Germany the 19% tariff, England, France, and Luxembourg the 0% tariff, Spain the 7 % tariff and Switzerland the 7.6% tariff (European Commission 2007b, Blijswijk et al. 2007). For reasons of competition no precise company data are available on the transport performance / turnover per separate country available. Conservative estimates were made instead (Thomas Cook Publishing 2004).

The environmental /energy tax on electricity / excise duties per Kwh per country concerned differ a lot as well: practically zero for Belgium, Spain, France, England, and Luxembourg. The highest duty is levied in Germany: €0.001230 per KWh which results in a levy of €1.33 for 2 persons on the section Berlin – Dutch border (450 km) v.v.. The Dutch environmental electricity tax only has a very small impact on the cost price: a levy of €0.000036 per passenger kilometre on the section Utrecht – German border v.v. (150 km) results in an extra cost of €0.02 for 2 persons (EECM (Edinburgh Center for Carbon Management) as cited in Virgin Trains 2007, European Commission 2007a, NS - Dutch Rail 2007)

The annex to Piket et al. (2007) provides all details on calculations and assumptions.

3. RESULTS

Tables 1 - 8 list the consumer prices (all-in) based on 2 adults under the heading Total costs. The total tax burden (subdivided into VAT, excise duties, and others) per transport mode is included as well. The calculations to two decimal places conveys the idea of a high degree of precision. However, as mentioned earlier, conservative VAT estimates for train and bus are used instead of exact company data. It is furthermore assumed that car fuel is only bought in the Netherlands, which results in an underestimation of the real differences in excise duties and VAT charges on fuel between the different countries

Table 1: Amsterdam - Zurich v.v. Period 1 (Piket et al. 2007)

TRANSPORT MODE	TOTAL COSTS	OF WHICH TAXES				TAX BURDEN
		VAT	EXCISE	OTHER	TOTAL	TOTAL
	€	€	€	€	€	%
PRIVATE CAR	827	88.30	72	218.70	379	43
AIRLINE (KLM)	870.04	0	0	4	4	0.45
AIRLINE (SWISS)	434.04	0	0	4	4	0.95
TRAIN	396	13.40	0	0	13.40	3.3
BUS	240	21.10	12.71	2.73	36.54	15.25

Table 2: Amsterdam - Zurich v.v. Period 2 (Piket et al. 2007).

TRANSPORT MODE	TOTAL COSTS	OF WHICH TAXES				TAX BURDEN
		VAT	EXCISE	OTHER	TOTAL	TOTAL
	€	€	€	€	€	%
PRIVATE CAR	827	88.30	72	218.70	379	43

AIRLINE (KLM)	434.04	0	0	4	4	0.92
AIRLINE (SWISS)	465.04	0	0	4	4	0.86
TRAIN	396	13.40	0	0	13.40	3.3
BUS	84	21.10	12.71	2.73	36.54	43.50

Table 3: Amsterdam / Utrecht / Eindhoven - London v.v. Period 1 (Piket et al. 2007).

TRANSPORT MODE	TOTAL COSTS	OF WHICH TAXES				TAX BURDEN
		VAT	EXCISE	OTHE R	TOTAL	TOTAL
	€	€	€	€	€	%
PRIVATE CAR	633	50.75	42.30	113.95	207	33
AIRLINE (KLM)	417.04	0	0	34.46	34.46	8.25
AIRLINE (LCC)	371.62	0	0	30.46	30.46	8.20
TRAIN	358	10.75	0	0	10.75	3
BUS	182	2.75	7.47	0.44	10.66	5.85

Table 4: Amsterdam / Utrecht / Eindhoven - London v.v. Period 2 (Piket et al. 2007)

TRANSPORT MODE	TOTAL COSTS	OF WHICH TAXES				TAX BURDEN
		VAT	EXCISE	OTHER	TOTAL	TOTAL
	€	€	€	€	€	%
PRIVATE CAR	584	50.75	42.30	113.95	207	35.5
AIRLINE (KLM)	357.04	0	0	34.46	34.46	9.65
AIRLINE (LCC)	231.62	0	0	30.46	30.46	13.15
TRAIN	198	5.95	0	0	5.95	2.6
BUS	72	2.75	7.47	0.44	10.66	14.80

Table 5: Amsterdam / Utrecht –Berlin v.v. Period 1(Piket et al. 2007)

TRANSPORT MODE	TOTAL COSTS	OF WHICH TAXES				TAX BURDEN
		VAT	EXCISE	OTHER	TOTAL	TOTAL
	€	€	€	€	€	%
PRIVATE CAR	650	70.20	58.50	157.30	286	44
AIRLINE (KLM)	504.54	0	0	4	4	0.8
AIRLINE (LCC)	399.82	0	0	4	4	1
TRAIN	222	30.20	1.34	0	31.54	14.2
BUS	208	17.50	10.33	0.44	28.27	13.60

Table 6: Amsterdam / Utrecht –Berlin v.v. Period 2 (Piket et al. 2007)

TRANSPORT MODE	TOTAL COSTS	OF WHICH TAXES				TAX BURDEN
		VAT	EXCISE	OTHER	TOTAL	TOTAL
	€	€	€	€	€	%
PRIVATE CAR	650	70.20	58.50	157.30	286	44
AIRLINE (KLM)	444.54	0	0	4	4	0.9
AIRLINE (LCC)	259.82	0	0	4	4	1.5
TRAIN	116	15.75	1.34	0	17.08	14.7
BUS	72	17.50	10.33	0.44	28.27	39.25

Table 6: Amsterdam / Utrecht / Eindhoven – Barcelona / Gerona
v.v.Period 1 (Piket et al. 2007)

TRANSPORT MODE	TOTAL COSTS	OF WHICH TAXES				TAX BURDEN
		VAT	EXCISE	OTHER	TOTAL	TOTAL
	€	€	€	€	€	%
PRIVATE CAR	1674.12	172.80	137.25	510.07	820.12	49
AIRLINE (KLM)	792.56	0	0	4	4	0.5
AIRLINE (LCC)	693.70	0	0	0	0	0
TRAIN	460	9.70	0	0	9.70	2.1
BUS	332	3.60	24.24	16.43	44.27	13.33

Table 8: Amsterdam / Utrecht / Eindhoven – Barcelona / Gerona
v.v.Period 2 (Piket et al. 2007)

TRANSPORT MODE	TOTAL COSTS	OF WHICH TAXES				TAX BURDEN
		VAT	EXCISE	OTHER	TOTAL	TOTAL
	€	€	€	€	€	%
PRIVATE CAR	1674.12	172.80	137.25	510.07	820.12	49
AIRLINE (KLM)	792.56	0	0	4	4	0.5
AIRLINE (LCC)	633.70	0	0	0	0	0
TRAIN	290	6.10	0	0	6.10	2.1
BUS	136	3.60	24.24	7.12	34.96	25.70

3.1. Total tax burden

Tables 1 - 8 lead to the following outcomes.

The private car was by far the most heavily taxed transportation mode with an average total tax percentage (VAT, other taxes (including toll collections) and excise duties) of more than 43 % of the total price. In second place, at a safe distance is the scheduled service bus with an average total tax percentage of a little over 21 %, half the tax burden of the private car. The bus is followed at a considerable distance by the train with an average total tax percentage of 5.7 %. If the most heavily taxed route Utrecht - Berlin v.v. (14.5 %) is left out it adds up to only 2.75 %, only 6.4% of the tax burden of the private car. Last on our list is transportation by air: just under an average total tax percentage of 3 % of the total consumer cost price. If the most heavily taxed route to London v.v. is excluded, an average total tax percentage of 0.7 % remains, only 1.6 % of the total tax level of the private car. International air transportation has a big competitive advantage over the other three modes mainly due to huge VAT and excise duties exemptions.

3.2. Other subsidies

But these VAT and excise duties exemptions are not the only ways in which the transportation sector is subsidized, both inside and outside of Europe. A more balanced verdict should include all relevant subsidy measures. EEA (2007) arrived at a conservative estimate of the total amount of subsidies including infrastructure costs for the entire passenger and cargo transport sector for the year 2000 for the EU-27 member states excluding the Baltic States, Cyprus and Malta. Table 9 shows that total subsidies add up to

€263 billion, of which €125 billion for transport by road, €73 billion for transport by rail, €35 billion for transport by air, and €30 billion for transport by water.

T&E (2007) estimated the total tax burden for transport by road at €360 billion, which by far outweighs its €125 billion subsidy. This could support the often heard claim that transport by road is already heavily taxed and that further moves towards 'green' taxation are therefore not necessary. Due to lack of detailed information, it was not possible to calculate the respective total tax burdens for the other transport modes rail, air and water (See Table 9).

Table 9: External Costs, Subsidies including infrastructure costs, and taxes for the entire transport sector for the year 2000 for the EU-27 member states excluding the Baltic States, Cyprus and Malta in billions €(T&E 2007, INFRAS 2004, OECD 2003)

TRANSPORT BY:		EXTERNAL COSTS	SUBSIDIES	TOTAL COSTS	TOTAL TAXATION
ROAD	PASSENGERS	328			
	FREIGHT	229			
	TOTAL	557	125	682	360
RAIL	PASSENGERS	9			
	FREIGHT	6			
	TOTAL	15	73	88	?
AIR	PASSENGERS	80			
	FREIGHT	6			
	TOTAL	86	35	121	?
WATER	FREIGHT	3	30	33	?
TOTAL		660	263	923	< 400

3.3. Internalising external costs

To arrive at an even more complete picture, T&E (2007) included a conservative estimate of the external costs of the transport modes involved (See Table 9). As illustrated in this European case study, total taxes, duties and other charges collected from non-road transport modes are comparatively low. So the assumption made by T&E (2007) that total taxes and charges are not likely to exceed €400 billion seems to be valid. When setting it

against the total social costs (external costs + subsidies) of over €900 billion, a baffling gap of more than €500 billion results. Besides a critical evaluation and reconsideration of the subsidies concerned, instruments should be used to truly internalise these external costs. EU objectives have always been ambitious. The “most appropriate economic instruments should be used to promote market transparency and prices that reflect the real economic, social and environmental costs of products and services (getting prices right)” (Council of the European Union 2006). But in reality “there is some EU progress in restructuring transport charges towards better internalisation of external costs, even though it is slow” (EEA 2006).

in several recent studies the use of market-based instruments (MBIs) at EU or national level to internalize the external costs is highly advocated (Council of the European Union 2006, EEA 2007, European Commission 2007c, Keen et al 2006, T&E 2007, Tourism Sustainability Group 2007). MBIs present several advantages compared to other types of policy instruments. Importantly, MBIs should also be applied in a way that ensures their contribution to achieving a level playing field in the transport sector. To realise such a level playing field a clear subsidy policy which does not incentivise market inefficiencies is needed on the one hand. On the other hand, prices should reflect the full costs of transport activities, including external costs.

As recognised by the European Commission (2007c), common action at EU level restricts the impacts of the use of MBIs to external competitiveness of the Community as a whole, and these impacts do not affect all sectors in the same way. Due to the nature of transport activity, which, by definition, is geographically bounded, it cannot be relocated. In conclusion, negative impacts of the use of EU- wide MBIs in the transport sector on competitiveness are expected to be marginal. The application of MBIs in the transport sector at EU level will therefore not have adverse effects on the competitiveness of the EU economy. The opposite might happen. By applying MBIs in such a way that they reflect the external costs of transport, the EU will evolve into a more transport-efficient economy and increase its global competitiveness. Impacts on low-income EU citizens will be minimal since, unlike taxes or charges on electricity or heating, transport taxes particularly on fuel, vehicles and air travel tend to be progressive (European Commission 2007c). In the key field of infrastructure charging, the Commission has been completely silent and has lost all leadership. Including aviation activities in the EU Emissions Trading Scheme ETS from 1 January 2012 (Council of the European Union et al 2009) can be considered a first step, and complementary MBIs should be used in this sector to ensure that prices reflect the full environmental costs of these activities.

3.4. Lack of EU tax and subsidy coordination

The lack of indirect tax harmonisation, let alone unification (El-Agraa 2001), within the European Union is a direct threat to the main goal of the EU internal market, i.e. the achievement and maintenance of a competitive level playing field for the direct competitors in the EU international tourism passenger transport sector. This lack of harmonisation is clearly illustrated by Council Directive 2003/96/EC of 27 October 2003 restructuring the Community framework for the taxation of energy products and electricity (Council of the European Union 2003). It points out that “the absence of Community provisions could prove

detrimental to the proper functioning of the internal market causing appreciable differences in the national levels of taxation applied by member states". It only introduces the "establishment of appropriate Community minimum levels of taxation". "Periodical exemptions and reductions of these minimum levels are possible". "Member States should be given the flexibility necessary to define and implement policies appropriate to their national circumstances".

Accordingly, after decades of long discussions, the EU process towards VAT harmonisation has resulted in a "common" system of approximation of VAT rates between member states, setting the standard rate of VAT at no less than 15 %, and the optional and reduced rates at no less than 5%, while certain zero and extra-low rates will be retained for a transitional period (Council of the European Union 1992, El-Agraa 2001). With regard to excise duties the EU process resulted in a system of approximation of duties as well (El-Agraa 2001). Taking into account the unanimity requirements in EU tax matters impressive further steps forward towards tax harmonisation, let alone tax unification, will prove to be extremely difficult.

Traditionally, the European transport system has been highly subsidized by both EU and national budgets. Individual member states' aid schemes have to be approved by the European Commission to ensure consistency with the common policy and to ensure fair competition. Billions of Euros are invested in transport projects with regard to the Trans-European Transport Networks. Between 1996 and 2005 the European Investment Bank has lent €112 billion to transport projects (T&E 2007).

EU intentions are clear on paper: "In order to ensure that EU funding is used and channelled in an optimum way to promote sustainable development, Member States and the Commission should co-ordinate to enhance complementarities and synergies between various strands of Community and other co-financing mechanisms" (Council of the European Union 2006). But once again EU practice seriously lags behind. The European Commission (2005) has even made it easier to apply for airline subsidies by issuing clear guidelines on state aid for start-up connections from regional airports (European Commission 2005).

Only a few member states like the UK (HM Revenue and Customs UK 2003), France and the Netherlands (Ministerie van Financiën (Dutch Ministry of Finance) 2008) have begun to partly counterbalance these subsidies by introducing air ticket taxes. But once again, the lack of tax coordination and harmonisation concerned within the EU offers passengers from these countries lots of tax evasion opportunities. According to Veldhuis (2009), the actual 2008 Dutch air ticket tax receipts on annual basis were only €260 million of the expected €350 million. The Dutch government recently decided to abolish the air ticket tax as of 1 July 2009.

4. CONCLUSIONS

This paper has investigated the current European state of affairs with regard to (differences in) indirect international tourism passenger transport taxes and other charges. The following conclusions can be drawn from this European case study. The private car is by far the most heavily taxed transportation mode, followed by scheduled service bus, train and air transport. International air transportation has a big competitive advantage over the other three modes mainly due to huge VAT and excise duties exemptions.

But these VAT and excise duties exemptions are not the only ways in which the transportation sector is subsidized. A more balanced verdict should include all relevant subsidy measures, as well as the external costs. Conservative estimations on EU transportation level result in €400 billion of total taxes and charges. When set against the total social costs (external costs + subsidies) of over €900 billion, a baffling gap of more than €500 billion results.

Besides a critical evaluation and reconsideration of the subsidies concerned, market-based instruments (MBIs) should be used to truly internalise the external costs.

Importantly, MBIs should also be applied in a way that ensures their contribution to achieving a level playing field in the EU transport sector. To realise such a level playing field a clear EU subsidy policy which does not incentivise market inefficiencies is needed as well.

EU intentions on paper are clear and promising but EU practice seriously lags behind. Including aviation activities in the EU Emissions Trading Scheme ETS from 1 January 2012 can be considered a first step, and complementary MBIs should be used in this sector to ensure that prices reflect the full environmental and social costs of these activities.

Furthermore, the case study provides a clear illustration of the lack of indirect tax harmonisation, let alone unification, within the EU. This is another direct threat to the main goal of the EU internal market, i.e. the achievement and maintenance of a competitive level playing field for the direct competitors in the EU international tourism passenger transport sector. However, taking into account the unanimity requirements in EU tax matters impressive further steps forward towards tax harmonisation will prove to be extremely difficult.

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Service Innovation in tourism: investigating the impact of leadership behaviour and network ties

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ABSTRACT

Innovation is essential to the development of competitive tourism enterprises and destinations, yet research into service innovation in tourism remains relatively under-developed. This paper reviews the current state of research in this area with a particular focus on networks and leadership behaviours at the intra- and inter-organisational level. Based on the review, a tourism research agenda is proposed that will inform the development of strategies for service innovation and enhance understanding of the interplay between leadership and networks in the operation of successful tourism enterprises and the planning and management of successful tourism destinations.

Key words: networks, leadership, tourism innovation

INTRODUCTION

Innovation is widely recognised as a driver of economic growth and a means of sustaining competitiveness, and has become an established theme in the economic policies of the EU, national governments and other public agencies. A specific focus on innovation within the services sector is now the subject of growing interest among policymakers in OECD economies (Pilat, 2005), although service innovation policies are relatively underdeveloped. This is particularly so in the case of service innovation in tourism.

Service innovation aims to deliver new, changed or incremental improvements to service concepts or service delivery processes to achieve added value for clients through new or improved solutions to a problem (Tidd and Hull, 2003). Research has a critical role to play if organisations providing tourism services are to have access to the knowledge and data required to develop effective strategies to foster service innovation. However, research

generally in the field of service innovation has been hampered by the heterogeneity and scale of the services sector, and the intangibility of the services provided.

It is generally accepted that innovation does not occur solely within an individual organisation but through knowledge-creating networks of individuals in companies, universities and other institutions. Consequently, one of the strategies currently pursued by agencies seeking to foster innovation and sustain economic growth is aimed at 'stimulating and supporting networks of enterprises and other innovative forms of collaboration' (Dept of Enterprise, Trade and Employment, 2008). For these strategies to be successful, further research is required to enhance our understanding of how value chains and networks operate, to provide insights into network activities that will create value for participants, and to identify key elements of successful network collaboration. To date research on tourism networks has revealed a multiplicity of network types and a range of critical success factors, including leadership, although measuring the benefits arising from network participation remains 'elusive' (Morrison et al., 2004).

This paper reviews the current state of research on service innovation in tourism with a particular focus on networks and leadership behaviours at the intra- and inter-organisational level. The objective of the review is to develop a tourism research agenda that will inform the development of strategies for service innovation and enhance understanding of the interplay between leadership and networks in the operation of successful tourism enterprises and the planning and management of successful tourism destinations.

TOURISM, NETWORKS AND LEADERSHIP

"For destinations to be successful and competitive in the future, they will need to innovate and develop new products. The basis for such innovation is the generation and use of new tourism knowledge. By combining the concepts of the network approach to destinations with the insights provided by knowledge management it becomes clear that a new policy environment will be required to ensure the sharing and adoption of tourism knowledge across destination networks" (Scott et al., 2008a: 57).

Tourism Systems

Tourism destinations are typically comprised of diverse organisations - small, medium and large - across the private, non-profit and public sectors. Some of these organisations will define themselves as tourism businesses while others may not regard their business as part of the tourism industry (being primarily plumbers or butchers or restaurateurs etc). Some of these businesses are in direct competition with each other but, even so, they also share a common interest in promoting their destination to prospective tourists. Therefore, the successful development of tourism destinations relies on optimising the performance of individual enterprises, including those indirectly providing goods and services to tourists, and harnessing cooperative and competitive linkages between enterprises that are influenced by both the internal capabilities of individual businesses, and factors in the external environment (Tremblay, 1999).

The characteristics of tourism systems make them highly suitable topics for network research. The study of networks can play a critical role in contributing to understanding the dynamics of tourism systems, and to the application of this knowledge to service providers within the system. Network research can be applied at three levels within tourism systems – at the level of individual firms or business units, at the level of destination marketing and management organisations that may be comprised of multiple, cooperating businesses, and at the community level where the development of social capital can make an important contribution to the tourist experience for visitors to the destination.

Jackson and Murphy (2006: 1022) describe a tourism destination as a “conglomeration of competing and collaborating businesses, generally working together in associations and through partnership marketing to put their location on the map”. In this respect, tourism destinations are an example of Porter’s clusters which he described as “geographic concentrations of interconnected companies, specialized suppliers, service providers, firms in related industries, and associated institutions (universities, standards agencies, and trade associations) in particular fields that compete but also cooperate” (Porter, 1998:197–198). The interconnections between competing and collaborating businesses within tourism destinations create opportunities for the transfer and sharing of knowledge, which plays an important role in developing innovation and competitiveness and community capacity building (e.g. Porter, 1990; Storper, 1997; MacKinnon, Cumbers and Chapman, 2002; Di Maggio, 1992; Sabatier and Jenkins- Smith, 1993; Rhodes, 1997).

Network theory and analysis provides a useful conceptual framework for understanding the collaborative dimension of successful tourism destinations (O’Farrell and Wood, 1999; Pavlovich, 2003; Scott et al., 2008a, 2008b; Shih, 2006). Networks in tourism have been studied in the context of tourism planning and development (Dredge, 2006; Pforr, 2006; Bramwell and Meyer, 2007), strategic marketing (Bhat and Milne, 2008, Lemmetyinen and Go, 2009; Breukel and Go, 2009), regional tourism development (Michael, 2007; Jackson and Murphy, 2006), historic preservation (Laurie, 2008), website development (Bhat and Milne, 2008), and knowledge management (Cooper, 2006; Shaw and Williams, 2009).

However, there has been relatively little explicit emphasis on service innovation in tourism and the role that networks can play (Tinsley and Lynch, 2001), despite recognition of the critical role played by knowledge creation and dissemination in fostering innovation and product development, and assuring competitiveness of both tourism destinations and enterprises (Hjalager, 2002). Novelli et al. (2006: 1141) observed that “there is limited discussion on whether networks and clusters creation can be used as an innovative process to support tourism SME’s ventures and contribute to local development”. In part, this may reflect a dearth of research into the management and operation of small firms in the tourism and hospitality literature (Lowe, 1988; Tinsley and Lynch, 2001).

The lack of research on small firms in tourism and hospitality is an issue developed by Shaw and Williams (2009) who suggest that work on knowledge management and transfer in the tourism sector has lagged because of the separation of tourism research from generic management and social science research, a general neglect of innovation research in ‘low tech’ sectors such as tourism and retailing, and the relative neglect of small firms in the literature on knowledge management. They argue that knowledge transfer within tourism is “an important element in the performance, competitiveness and innovativeness of tourism organisations” (Shaw and Williams, 2009: 1).

The preponderance of small firms has also been cited as a reason for poor knowledge transfer and diffusion within tourism networks. The use of networks to create and distribute knowledge that will feed innovation and product development is critical for the competitiveness of both tourism destinations and enterprises (Hjalager, 2002). However, Cooper (2006) argues that the effective utilisation of networks demands an open decentralized environment where individuals are empowered to view knowledge as a resource to be shared, rather than to be hoarded as a potential source of competitive advantage (Davenport and Prusak, 1998), which is often the case with tourism businesses.

While explicit focus on the role of networks in service innovation in tourism is difficult to find, Lynch et al. (2000) and Morrison et al. (2004) classified the benefits of networks to building profitable tourism destinations as ‘learning and exchange’, ‘business activity’, and ‘community’. In both the learning and exchange and business activity categories, service innovation has a key role to play. In fact, Scott et al. (2008a: 1) argue that “the increasing importance of innovation and adaptation to turbulent environments is changing the nature of interaction with other organisations and as a response we increasingly encounter more networked inter-organisational relationships”.

Given the relatively under-developed state of research into the role of tourism networks in service innovation, it is helpful to review the extensive literature on network theory that has developed in relation to other business sectors.

Network Theory

In the network literature, at least four key themes underpin network theories and hypotheses: the importance of relations between organizational actors, actors' embeddedness in social fields, the social utility of network connections, and the structural patterning of social life (Balkundi and Kilduff, 2006). Common to them all is the use of three interrelated basic classes of variables: actors, activities and resources (Easton, 1992).

An emphasis on relations between actors is the most important distinguishing feature of the network research agenda. According to Freeman, (2004), a core belief underlying modern social network analysis is the importance of understanding the interactions between actors (rather than a focus exclusively on the attributes of actors). Earlier work on network research stated that "the social network approach views organizations in society as a system of objects (e.g., people, groups, organizations) joined by a variety of relationships" (Tichy, Tushman, and Fombrun, 1979: 507).

The second concept that gives organizational network research its distinctiveness as a research agenda is the issue of embeddedness. For organizational network researchers, human behaviour is seen as embedded in networks of interpersonal relationships (Granovetter, 1985; Uzzi, 1996). People in organizations and as representatives of organizations tend to enter exchange relationships, not with complete strangers, but with family, friends, or acquaintances. Embeddedness at the system level can refer to a preference for interacting with those within the community rather than those outside the community, which is relevant in a tourism setting. Balkundi and Kilduff (2006) emphasize that people's perceptions of others as leaders are reflected through the sets of embedded ties within which people are located.

It is widely acknowledged that networks of different structural and relational characteristics have specific strengths, and hence a composition of both strong and weak network ties is required to support business development. In the literature, strong ties are shown to provide organizations with two primary advantages. First, strong ties are associated with the exchange of high-quality information and tacit knowledge. Uzzi (1996) observed in his study of the New York apparel industry that firms participating in strong ties were able to exchange fine-grained knowledge. In the development of strong ties, interfirm partners learn about each other's organization, become more dependent on one another and develop relational trust (Larson, 1992). Based on a deeper understanding of a partner's operations, tacit knowledge is more readily transferred across organizational boundaries, which are blurred by close contact (Hagg and Johanson, 1983). Second, strong ties serve as part of the social control mechanism, which governs partnership behaviours. Firms enter strategic alliances with competitors to gain access to external resources, share risks and cost, or pool complementary skills (Hagedoorn, 1993; Kogut, 1988; Hagg and Johanson, 1983). Larson (1992) shows that strong ties incrementally promote and, in turn enhance,

trust, mutual gain, reciprocity, and a long-term perspective. Consequently, partners are more likely to forego individual short-term interests, exercise voice (rather than exit), and develop joint problem-solving arrangements (Powell, 1990; Uzzi, 1996). Strong ties produce and are governed by relational trust and norms of mutual gain and reciprocity, which grow through a history of interactions (Larson, 1992; Powell, 1990). Similar to Powell's (1990) assertion that networks represent a separate and distinct organizational form, Uzzi (1996) refers to this alternative governance system based on trust as the logic of embeddedness, and argues that it is the product of cohesive/intense ties.

These strong tie benefits are different from the advantages gained through weak ties. Granovetter (1973) argues that weak ties are conduits across which an actor can access novel information. Weak ties are more likely than strong ties to be 'local bridges' to distant others possessing unique information. A weak tie can be beneficial, because it is more likely to embed an actor in (or provide access to) divergent regions of the network rather than to a densely connected set of actors. For example, according to Granovetter's (1973) argument, an actor's collection of weak ties is more likely to be a sparse structure reaching divergent regions of the surrounding network.

The third key concept of social network research is the belief that network connections constitute social capital that provides value—including economic returns (Burt, 2000). As Brass and Krackhardt, (1999: 180) pointed out, "Social capital is at the heart of social network analysis". Depending upon the arrangement of social connections surrounding an actor, more or less value can be extracted (Burt, 1992; Gnyawali and Madhavan, 2001). Referring back to the strength of ties concept - the substantial support for the benefits derived from both strong and weak ties suggests that neither type is unconditionally preferred. Indeed, strong and weak ties have different qualities, which are advantageous for different purposes. Tiwana (2008) found that weak ties provide innovation (exploration) potential for firms, but lack integration (exploitation) capacity, and strong ties provide integration capacity but lack innovation capacity. While a firm is likely to have a mix of strong and weak ties, Kale, Singh, and Perlmutter (2000) argue it will benefit from a portfolio of ties favouring one type more than the other depending on the conditions surrounding the firm.

Interpersonal network relationships function on a different operational logic than other models of innovation development (Mohannak, 2007). Within networked arrangements the existence of mutual trust is identified as a key mechanism to bring organisations together (Grandori and Soda, 1995). The presence of trust generates a willingness to overcome organisational differences, to work through difficulties, and encourages openness in exchanging ideas and information. These are considered necessary for innovation. It has been widely argued that firms can acquire valuable technology assets and skills externally without developing the capabilities to gain and maintain their competitive advantage in a changing environment (Dyer and Singh, 1998). Research reveals a dynamic interplay between the firm's internal capabilities and the changing external conditions, recognising that learning is central to behaviours through which organisations interact, and are changed

by, their environment (Mitra, 2000). In this regard, the process of innovation is not conducted simply within an individual company but through knowledge-creating networks of individuals with ideas in companies, universities and other institutions. The role of firms' external network implies that other firms need to be considered, in order to ascertain how these networks and the relationships between them can be conducive to innovation. The capacity of small firms to be innovative depends on whether they are placed in a stimulating environment that encourages firms to network and cooperate with each other over innovation (Malecki, 1991).

The fourth concept relevant here is the emphasis on structural patterning, which often leads social network research to be referred to as the "structural approach." Network researchers look for the patterns of "connectivity and cleavage" in social systems (Wellman, 1988: 26). The 'networks as structures' angle (Easton, 1992; Mattson, 1985) is based on the premise that a network structure must exist as a corollary of the interdependence of firms. Firms are the elements on these structures and develop different traits depending on the structure. Interdependence, structure and heterogeneity are all positively linked. Links of different strength between elements can be determined: 'dense' parts of the network correspond to clusters of firms with relatively strong relationships. Researchers look beyond describing the surface pattern of ties to the underlying structural factors through which actors generate and re-create network ties (Balkundi and Kilduff, 2006). At the local level surrounding a particular actor, the structure of ties can be described, for example, as relatively closed (actors tend to be connected to each other) or open (actors tend to be disconnected from each other) (Burt, 1992). At the system level, organizational networks can be assessed for the degree of clustering they exhibit and the extent to which any two actors can reach each other through a short number of network connections (Kogut and Walker, 2001).

A similar view in the literature is that of 'Networks as a process' (Easton, 1992; Hakansson, 1987), and the focus here is on the important role change plays in networks. Networks continuously modify due to transactions within the network and events external to the network. While a network is changing, it is at the same time stable because of the relationships established in the past (Gadde and Mattson, 1987). Further, under conditions of uncertainty, trust stabilises the expectations that people have of one another and reduces the level of risk (Burt, 1997). Thick and repetitive communication patterns within networked arrangements, by way of both formal and informal relations, can also provide natural mechanisms for the iterative process of innovation development and its subsequent diffusion (Mohannak, 2007). In this way, by promoting trust and stimulating value creation through interaction and knowledge sharing, networks help to overcome the transactional stickiness of innovation development and diffusion by acting as the trajectory of communication between innovators and adopters (Dyer and Nobeoka, 2000).

Leadership is a recurring link between the four key themes that underpin network research. It influences the relations between actors, embeddedness in social fields, the creation of social capital through network connections, and the structure of social life. To better

understand the role of leadership in tourism networks and service innovation, it is helpful to review how leadership research can inform the development of a tourism research agenda.

Leadership Theory

Research has generated a considerable number of theories - ranging from the early trait or 'Great Man' theory – 'leaders are born, not made'; through behavioural and contingency theories; leader member exchange theory; to charismatic or transformational leadership. In line with modern changes in organisational structure and inter-organisational alliances, new concepts of leadership have emerged, for example, distributed leadership. Distributed leadership views leadership as a collective task. This is an important concept as modern organisations collaborate through partnerships or networks. However, a key consideration in the context of tourism network research is that the horizontal demands of working in partnership at an inter-organisational level are different to the vertical demands of working at the intra-organisational level.

The majority of leadership research to date has been conducted at the intra-organisational level. One area of research focus has been leadership style, the collection of behaviours leaders engage in to be effective. Arising from early research, leader behaviours were classified as either job-centered (emphasis on employee tasks and the methods used to accomplish them) or employee-centered (emphasis on the development of interpersonal relationships and employees' needs) (Likert, 1961). Similar classifications were initiating structure (task accomplishment focus), and consideration, (relationship focus, as in mutual respect and sensitivity to subordinates' feelings) Stogdill, Goode, and Day (1962); Fleishman, (1953); Halpin & Winer (1957).

Behavioural studies indicated that leadership could not be fully explained by the leader's behaviours alone and identified the role of situational factors in the link between leaders' behaviour and effectiveness. Fiedler's (1967) contingency theory of leadership effectiveness proposed that a leader's effectiveness in any situation is due to a combination of leadership style and situational characteristics. The leader's motivational needs drive the leader's behaviour, and the two most important motivational needs are interpersonal-relationship needs and task-achievement needs. Fiedler (1967) proposed that the leader's influence over the group is contingent on the favourableness of three situational factors. The first of these is leader-member relations, the extent to which the leader is respected, accepted, and has good interpersonal relations with the group members. The second is task structure, the ease with which group members understand the task and the leader's directions. The third is position power, the extent to which the leader can reward or 'punish' group members. Fiedler (1972) found that leaders displayed relationship oriented and task oriented behaviours in different situations.

A second contingency theory is path-goal leadership (Evans, 1970; House, 1971; House and Mitchell, 1974). Path-goal leadership theory focused on the leader's effect on subordinates' performance expectations and valued outcomes, and examined different types of leader behaviour and situational factors. Support for path-goal leadership theory has come from studies conducted by Woffard and Liska (1993) and Silverthorne and Wang (2001). Contingency theorists consider the ideal leader as someone who can assess a situation and have the flexibility to adapt their leadership style to that situation.

House (1977), House et al. (1999) revisited path-goal leadership theory to examine the concept of transformational leadership. Transformational leadership is characterised by a leadership style that motivates subordinates to increase their self-confidence, develop and grow, and do more than expected (Bass et al., 2003). Transactional leaders' behaviour shows individual concern and intellectual stimulation for subordinates, and such behaviour is often described as charismatic (Avolio et al., 1999, Bass et al., 2003). Transformational leaders' behaviour comprises *inter alia* – articulating clear and appealing vision, communicating this vision through actions, delegating authority and responsibility, eliminating unnecessary bureaucratic restraints, providing developmental training, encouraging open exchange of ideas and concerns, engaging in participative decision making, promoting cooperation and teamwork, and, modifying organisational structure and policies (Yukl and Van Fleet, 1992; Hitt et al., 2006).

Research findings associate transformational leadership with subordinate satisfaction, commitment, and enhanced self-concept, while the effects of transformational leadership are stronger at the group level (Shamir et al., 1993; DeGroot et al., 2000, Bass et al., 2003). Leaders that display transformational leadership behaviour also influence outside their organisations, and are more closely associated with innovation, creativity, and performance (Bass and Avolio, 2003). In line with previous behavioural and contingency research findings, a combination of leadership styles is desirable. Both transactional (management by exception, contingent reward behaviour) and transformational leadership can be effective depending on the situation, with a combination of styles viewed as the most effective strategy. In complex situations where subordinates require direction, a transactional leadership style is effective. In situations that require innovation, transformational leadership is desirable.

Yukl et al., (2002) noted “A major problem in research and theory on effective leadership has been the lack of agreement about which behavior categories are relevant and meaningful for leaders.” (Yukl et al., 2002: 15). They proposed a hierarchical taxonomy of leadership that consisted of three metacategories – task (plan, clarify, monitor); relations (support, recognize achievements and contributions, develop skills and confidence, consult with members on making decisions, empower members to take initiative in problem solving) and change (monitor external environment, propose innovative strategy or new vision, encourage innovative thinking, and take risks to promote necessary changes). The three metacategories include “most of the specific behaviours found to be relevant for effective leadership in research conducted over the past half century, even though the labels are not

always the same” (Yukl et al., 2002: 29). The researchers noted the multiple objectives of a leader’s behaviour and proposed the three independent metacategories or dimensions as being more appropriate than mutually exclusive categories for the study of leadership. This approach seems to have particular relevance to the investigation of leadership behaviour in tourism networks, and is developed in further detail below.

TOWARDS A TOURISM RESEARCH AGENDA

The foregoing review of literature on tourism systems, networks and leadership provides a foundation for identifying research opportunities with the potential to enhance understanding of the interplay between leadership and networks in the operation of successful tourism enterprises, and the planning and management of successful tourism destinations. This understanding, in turn, has the potential to inform research designed to contribute to the development of strategies to enhance service innovation in tourism. Based on the review, research opportunities have been identified in four broad areas: amplification of a conceptual framework linking service innovation, leadership behaviour and network ties; identification of the differentiating characteristics of tourism networks; understanding the role of network leaders and leadership behaviour within tourism networks; and, linkages between network leadership and service innovation in tourism. Each of these areas is briefly described below.

This paper is based on an initial conceptual framework linking leadership behaviour, network ties and service innovation, developed to provide a starting point for research in this area (see Figure 1).

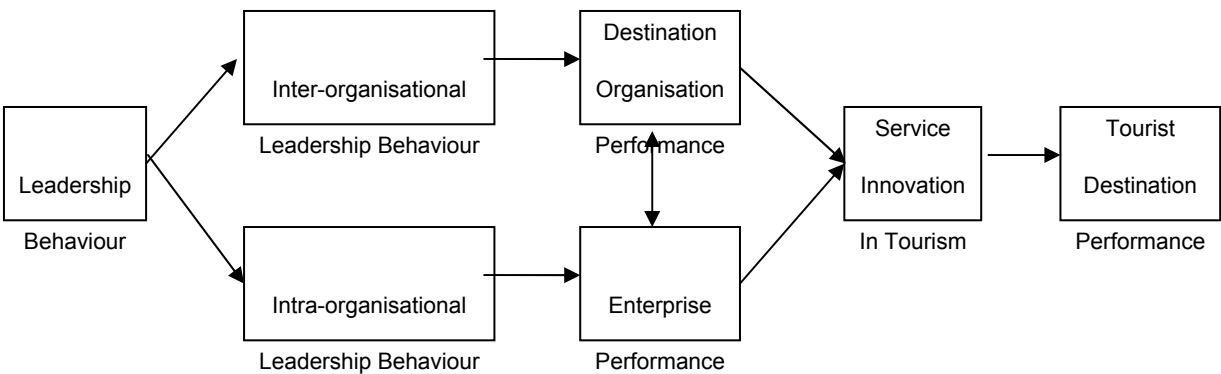


Figure 1: Conceptual Framework linking Leadership Behaviour, Network Ties and Service Innovation

This rudimentary framework needs to be challenged and tested. Further amplification of the conceptual framework will assist in the identification of research questions, the formulation

of hypotheses, understanding the implications of research findings and the application of those findings to enterprises and destination management and marketing organisations. The framework will be further developed as the other areas of research opportunity are pursued.

The second area of research opportunity is to undertake more detailed investigation of the characteristics of networks in the tourism sector. For example, are tourism networks formal or informal? How long have they been in existence? What is the *raison d'être* for the network? How embedded are the networks? Are tourism networks characterised by strong or weak ties? How and what do they contribute to social capital? Answers to these questions will develop understanding of the operation of tourism enterprises and destination marketing and management organisations. In discussing the inherent benefits of relationship-based networks, Cohen and Prusak (2002) highlight the potential of network coordination for reducing the cost of innovation and the level of uncertainty associated with providers. As a consequence of the inherent advantages of networks and in particular their ability to tap into and leverage off relationships between individuals and agencies, networks within and between sectors have emerged as key instruments for driving, securing and disseminating innovation and securing performance improvement in the tourism sector. The outcome of further research on the characteristics of tourism networks will also create opportunities for comparative analyses with networks in other economic sectors that may help to identify additional research questions.

The third area of research opportunity relates to the role of the network leader, and leadership behaviour within tourism networks. For example, what are the leadership behaviours that are perceived to be important in tourism networks? Do network members perceive a difference in leader behaviours required at the intra- and inter-organisational level? Are there different perceptions of important leader behaviours depending on the network characteristics? As indicated above, Yukl et al.'s (2002) hierarchical approach may be suitable to obtain quantitative information on leader behaviours in an inter-organisational context. Inter-organisational leadership is highly likely to require the elements of task, relations, and change. Although leadership research at the inter-organisational level is relatively new, there are some concepts and findings from leadership literature that may be relevant. Co-leadership is the term used to describe situations where two leaders share leadership responsibilities (Heenan and Bennis, 1999). The authors emphasise the concept of collaboration, "the shrewd leaders of the future are those who recognize the significance of creating alliances with others whose fates are correlated with their own" (Heenan and Bennis, 1999, viii). In an investigation of co-leadership Vine et al. (2008) refer to research by Jackson and Parry (2008) and state that "co-leadership recognizes that leadership is rarely the preserve of one individual, but is frequently exercised by a pair of individuals or a group of individuals" (Vine et al., 2008, p341). Both hierarchical authority and collaboration are implicit in co-leadership. Raelin (2003) proposed the concept of shared leadership where situational demands and required resources resulted in leadership rotating among group members. Day et al. (2004) studied leadership in teams and found situations where teams work collectively and independently of formal leaders – the concept of distributed leadership.

Armistead et al. (2007) captured and interpreted naturally occurring data revealed in dialogues to examine how managers conceive of leadership in complex partnerships, characterized as being inter-sectoral as well as inter-organizational in nature. In this context the partners believe that “working in partnership will add value over and above the ability of agencies working separately across policy fields or sectors” (Armistead et al., 2007: 212). They found that leadership is viewed in the context of the challenges in making partnerships effective. Challenges were differing expectations, consensus building, dealing with conflict, and performance. The leadership issues identified in partnerships involved leaders having a high standing within their own organizations and being trusted and empowered to commit and negotiate on their organization’s behalf. Furthermore, leaders should be prepared to change their internal organizational structures and processes to facilitate wider collaborative activity. In line with transformational leadership theory, partnership leaders needed to demonstrate vision and commitment, and be energetic and charismatic. These leaders should be capable of thinking and acting, and communicating clearly so that all partners could relate. Leaders also had to live the values of the partnership.

Armistead et al. (2007) proposed the concept of first-, second- and third-person taxonomy of leadership in complex partnerships. In the first person concept, “success is best understood as resulting from the possession of a set of personal attributes and skills that are deemed to be necessary in order for multi-sectoral partnerships to function well” (Armistead et al., 2007: 223). The second person concept focuses on the leader’s behaviour, what the leader does in terms of vision, influence, and direction to foster a collaborative, inclusive partnership. The third person concept is more abstract than individual or group. The focus is on structures, processes and systems and “typically, these would be more likely to exist in more mature partnerships which have had time to engineer agreed rules, procedures and protocols that reflect learning from previous practice” (Armistead et al., 2007: 224).

The fourth area of research opportunity is to investigate in further detail the relationship between tourism network leadership and service innovation. Shaw and Williams (2009) identify three types of networks that warrant further research in the context of tourism innovation - foreign direct investment, learning regions and communities of practice. They conclude that “there is still a need to link innovations and knowledge transfer much more firmly within tourism research, so as to deepen understanding of competitiveness and performance” (p 8). A potentially fruitful area for further research is to compare and contrast knowledge stocks and flows within individual enterprises with knowledge stocks and flows within networks of organisations at the destination level. It has been argued by Awad and Ghaziri (2004) and Cooper (2006) that the ‘absorptive capability’ model of knowledge transfer and diffusion is the most relevant for the tourism industry. The absorptive capability model suggests that the ability of organisations to respond to knowledge inputs will depend in part on their existing stocks of knowledge – essentially the greater the stocks, the more effective will be their assimilation of new knowledge. Other factors will also be important

including the organisation's size, internal structure, division of labour, leadership, and competency profile. Cooper (2006: 57) points out that "The absorptive capacity of small and medium sized enterprises is important for transfer in tourism, as they are critical to destination competitiveness. For such firms, successful transfer depends upon a high degree of relevance to their operation." He also suggests that "For tourism, barriers to transfer are related to its very nature. It is dominated by small enterprises, fragmented across a variety of activities, and has vocational reinforcers such as poor human resource practices militating against the continuity of absorption" Cooper (2006: 59). This may suggest an opportunity for research on leadership behaviours within tourism enterprises and within destination management and marketing organisations.

CONCLUSION

The paper draws attention to the need for more detailed investigation of the nature of service innovation in tourism and to the importance of addressing innovation in a network leadership framework. Key themes in the leadership literature pertaining to leadership behaviours are explored, as well as the implications of leadership in an inter-organisational or network setting, and how network theory extends our understanding of leadership theory. Network theory suggests that individuals who are central in their immediate network and in larger networks that connect them to others within and beyond their organisation are likely to exert influence on resource flows and the development of new business opportunities. This creates interesting issues in the context of tourism services, particularly in relation to network leadership in cooperative approaches to destination management and marketing. Understanding more about the operation of these networks and the role of leaders within them is important if service innovation is to be encouraged successfully at the level of both individual tourism enterprises and tourism destinations.

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REGIONAL IDENTITY IN DESTINATION DEVELOPMENT

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ABSTRACT

The background of this research is a regional learning network project with a purpose to increase the developmental expertise of the participants. The target region is Eastern Uusimaa, 50 kilometres east of Helsinki. Regional identity has a role in the regional development with two dimensions: Regional and place identity. This research is an ongoing process with two stages. The first focuses on interpretations of place identities including a competitor analysis among the neighbour regions. The second stage focuses on regional identity among tourism stakeholders. The data is transcribed discussions of the participants in meetings of the project. The aim is to assess expressions of belonging and sensing the place. According to the text analysis, the place identity of Eastern Uusimaa is close or near-by, sunny archipelago, interesting history, versatile industry structure and housing. The analysis of the discourses of tourism stakeholders shows that the regional identity means culture and co-operation.

Keywords: regional identity, place identity, destination development, Eastern Uusimaa

1 INTRODUCTION

HAAGA-HELIA University of Applied Sciences one the biggest and most wanted of its kind in Finland. It has six campuses in the greater metropolitan area of Finland. Four of them are located in Helsinki, one of them about 130 kilometers north of the capital, and one in Porvoo in the province of Eastern Uusimaa, about 50 kilometers east of Helsinki. The Finnish universities of applied sciences have three tasks that are teaching, research and regional development. This identity study is part of the regional development task that is empowered to the unit in Porvoo.

The background of this research is a regional learning network project with a purpose to increase the developmental expertise of the participants, to create and experiment with new forms of development cooperation between research and development units and workplaces (Kantola et al. 2005). In this case, the region is Eastern Uusimaa, about 50 kilometers east of Helsinki.

The preliminary assumption is that regional identity has an important role in the regional development. According to Zimmerbauer (2008) regional identity must be taken into account in regional development. It was also one of the first questions that rose among learning network participants in the network meetings. One of the aims is to find common stories for regional tourism companies for product development and marketing. The regional identity has two dimensions: Regional and place identity (Paasi 2003). The first means a changeable amalgam of individual and group loyalty and empathy for a region. It has a strong geographical expression through a sense of place and belonging with a base on culture, language and history. Regional identity can also relate to the behaviour of inhabitants. The latter, place identity, is in its simplest interpretation a combination of three elements: history, economic or business life, and geography (Rose 2000). In short, how a region distinguishes from other regions.

In this case-study regional identity is regarded as a linguistic product and understanding of a region. The phenomenon is a social construction that can be studied through texts created by people and entrepreneurs in the regional tourism industry. As Zimmerbauer (2008) puts it: "The linguistic production of a region is not a neutral description of reality, but a representation based on interpretations, experiences and different motivations."

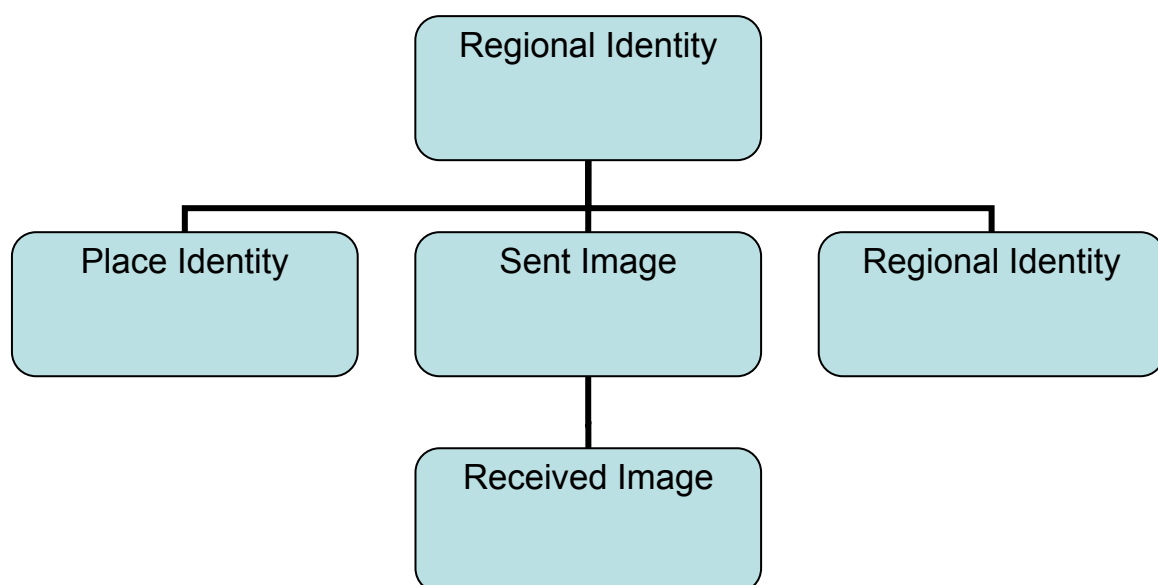
This research is an ongoing process with at least two stages. The first stage focuses on interpretations of place identities in the Internet sites of regional tourism enterprises and other actors. This also includes a competitor analysis among the neighbour regions and municipalities in order to construct presumed borders between different identities. The second stage focuses on regional identity among tourism stakeholders in the regions. The data used is transcribed discussions of the participants in different meetings in the learning network project. The aim is to assess expressions of belonging and sensing the place of the target group.

2 REGIONAL IDENTITY

According to Häuszer and Frey (1987) regional identity is a phenomenon where people identify themselves with the social system of a certain region, in this case the province of Eastern Uusimaa. Social system of a region includes i.e. the people, culture, traditions, and landscape. The identity can be expressed in many different ways that can be a regional inferiority complex or regional pride. A more intense regional identity can be expressed in a sense of belonging. Anssi Paasi (1986) identifies four shapes in regional identity formation: The constitution of the territorial shape, the symbolic shape, the institutional shape and the emerging socio-spatial consciousness of the inhabitants and the establishment of the region in the regional system. During the territorial shaping, the region achieves its boundaries and becomes identified as a territorial unit in the spatial structure. The existence of boundaries as a basis for social classification is required for the emergence of regional consciousness among inhabitants. The development of territorial shape refers to

the localization of social practices. An example of this might be a medieval town first established inside a fortress or castle, then expanded around it, and finally surrounded by a wall (Kosonen 1996). The symbolic shape consists of qualities featuring the name of the region, the local language, the landmarks, and the infrastructure (Paasi 1986). The symbols of the region can be the name, flag or coat of arms. Furthermore, they can be buildings, monuments, politicians, writers, artists, and media persons. They can be as well traditional actions, celebrations, and elements of lifestyle. Institutional shape is a mosaic of formal organisations and established practices like neighbourhoods, clubs, networks, schools, enterprises, non-governmental organisations, informal institutions like friendships, relations, lifestyles, and ways of behaving (Paasi 1986). According to Anssi Paasi (1996) a continuous process of institutionalisation and transformation forms the regional identity and people's consciousness. He emphasises the importance of social and historical processes. As Garri Raagmaa (2002) concludes the process of region formations including regional identity starts from an idea of perceived space, followed by conceived and social spaces and ends in spiritual space that finally builds up the regional identity.

Regional identity is regional consciousness and a sense of belonging. It has two dimensions: Regional and place identity (Paasi 2003). The first means a changeable amalgam of individual and group loyalty and empathy for a region. It has a strong geographical expression through a sense of place and belonging with a base on culture, language and history. Regional identity can also relate to the behaviour of inhabitants. The latter, place identity, is in its simplest interpretation a combination of three elements: history, economic or business life, and geography (Rose 2000). In short, how a region distinguishes from other regions. Identity is not an objective thing, but reconstructed by people and subject to change. It is a dynamic concept that is always constructed by people. Therefore, different identities can be allocated to the same region and in this case province, even at the same point in time (Jackson 1995).



The regional identity in destination or province development is mainly motivated by economic and administrative interest. Identity has a very important role in building the regional image. The better the image is the easier it is to get investments, industries, inhabitants and skilled labour especially nationally. A positive image is an important attraction in regional competition. A good regional image is always based on strong regional identity. Identity as an internal characteristic comes always before the external image. But the building of the regional image constructs also the regional identity (Zimmerbauer 2008).

According to Raagmaa (2002) the region satisfied the individual's need to belong. Furthermore, it defines through the cultural value-scheme ways in which individual may become honoured and creates opportunities for self-realisation. Regional identity formation can obtain different levels from primary socialisation to social action and articulated regional identity. Especially in the last level, the idea of a common or shared region might be an important target for self-fulfilment for the individuals who want to take responsibility and leadership in community actions. Regional identity is an important element in human action that forms through the day-to-day experiences and shared memories of inhabitants (Habermans 1979).

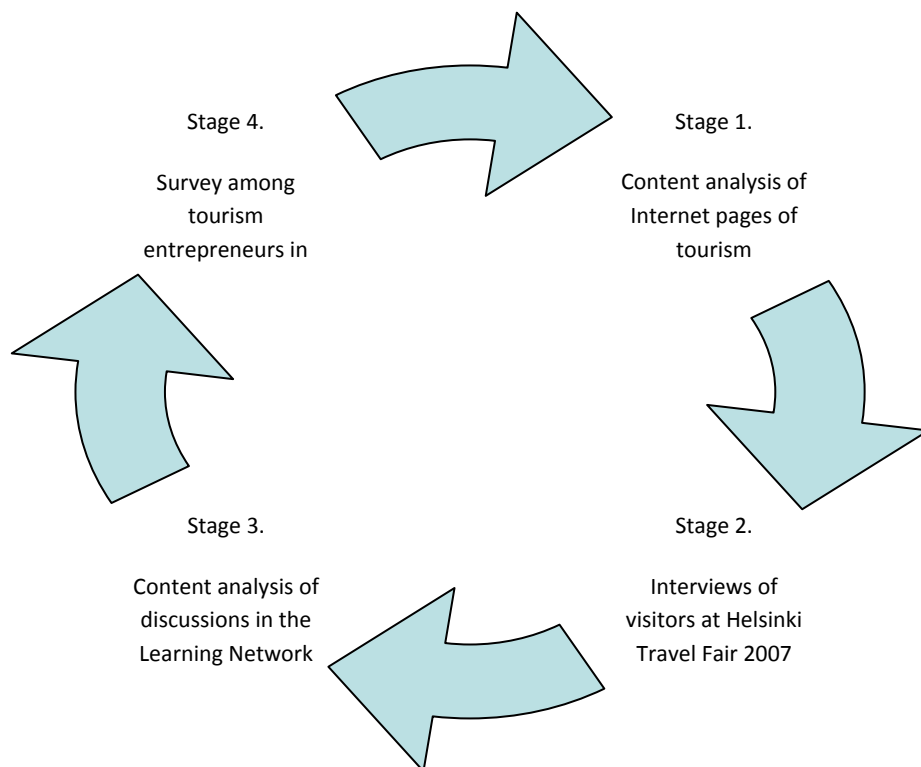
3 REGIONAL IDENTITY IN EASTERN UUSIMAA

The research question in this particular case-study is the place and regional identities of tourism stakeholders in the province of Eastern Uusimaa on the coast of Gulf of Finland in Southern Finland. Eastern Uusimaa is a province of about 100.000 inhabitants in 10 municipalities. It is located east of Helsinki, the capital of Finland. Almost half of the population resides in the provincial capital, Porvoo. Porvoo is the second oldest town in Finland founded in the second half of the 14th century. Porvoo is famous for its old town and medieval town plan and the cathedral. Eastern Uusimaa is a popular destination for daily visits especially from the metropolitan area of Finland. The estimated number of annual visitors is about 1 million. The peak season is summer. Most of the visitors look for cultural attractions. They are very satisfied with their visit but find that the price-quality ratio could be a bit better. An average visitor is a middle-aged female who travels with her family or friends (Taipale 2007).

The research approach in this study is case-study. In case-studies, the low statistical representativeness is replaced with depth and comprehensiveness (Easton 1995). Gummerrsson (2001) states that the purpose of a case-study research is systemic and holistic, giving a full and rich description of the target. It can be an intensive study of the

target phenomenon, where multiple sources of evidence are used to develop a holistic description of it (Halinen et al. 2005).

The data is collected this far at Internet pages of tourism stakeholders in Eastern Uusimaa, interviews of visitors of the Helsinki travel fair in January 2007, and discussions of tourism stakeholders in the Learning Network's meetings. The fourth and probably the last step will be a survey or interview of tourism entrepreneurs focusing on their ideas of common elements of different identities rising from the previous analyses (picture 2).



Picture 2, the stages of the research

The content analysis of Internet pages of tourism stakeholders gives a picture of the place identity of the province of Eastern Uusimaa, and how it differs from the neighbouring provinces. The first idea was to have an inductive study, but it was very challenging. In the end, the texts were approached in an abductive way with a picture of the elements of place identity in mind. The results are following: The province of Eastern Uusimaa is close-by, it has a long history and rich culture, the nature, especially, the archipelago, dominates as well. Furthermore, the emphasis is on versatile economy and living.

The interviews at Helsinki Travel Fair were more a less improvised by the regional tourism organisation. They asked over 600 visitor one single question: What does Eastern Uusimaa bring in to your mind? To the big surprise the answers were partly quite close to the results of the content analysis of Internet pages. Of course, visitors named different towns and municipalities quite often. But also attributes relating to nature and culture were often mentioned.

The third stage, content analysis of discussions in the Learning Networks meetings started with transcription of recorded discussions. In the analysis the context related topics were ignored. The rest of the data was used for the analysis and conclusion. The main topic in the discussions was co-operation and ways of working and operating together. The other strong topic was history and culture.

The conclusion of the analyses of the data used is in the table below (table 1.). The results show that the different data give similar attributes independent on the origin of the data used. An interesting detail is that the sent image (Internet pages) is very close to the received image. According to the results the common denominator is history and culture. Nature might also be one, but it did not rise so high in the discussions among tourist stakeholders in Learning Network meetings. One reason for this might be the focused context of these meetings.

Table 1, the analysis of the results

	Stage 1	Stage 2	Stage 3
	Content analysis of Internet pages	Interviews of visitors in the Travel Fair	Content analysis of discussions in Learning Networks meeting
	Close-by	Places	Co-operation
Common denominators	History and culture	History and culture	History and culture
	Nature	Nature	(Nature)

4 CONCLUSIONS

The results, this far, gives a clear message for the next and last stage of the research. The topics for the entrepreneur interviews are history, culture, and nature. Otherwise, the results shows that the data used of different origin gives an option to base the tourism marketing and product development on them. The question related to the survey is the level of the approach; how deep in to the details should it go. More detailed information can be used i.e. in the development project of the regional tourism portal with an idea of creating a common story to enhance the tourism image, brand, product development and marketing.

The reliability and validity of this study can be described as average. They are related only to this special study. The original idea of an inductive approach was not possible, and the content analysis of the Internet pages steered the next ones perhaps too much. The data used is also a child of its time; the results of a similar data of today might give us, at least in details, different results.

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Planning approaches to achieve a more sustainable travel industry for tourism in the UK: a case study

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Acknowledgements. The authors gratefully acknowledge the National Trust for access to the 2008 annual visitor survey, and permission to undertake additional analysis on it, to develop this case study.

Abstract

Transport is tourism's largest contributor to greenhouse gas (GHG) emissions. In the UK domestic tourism is dominated by car. The UK government is committed to a decrease in carbon emissions and to growing its tourism industry simultaneously. This paper explores the potential conflicts between the transport and tourism policy objectives and evaluates current policies. One obvious approach is to achieve a modal switch away from car to more sustainable public transport. The paper uses a large sample of visitors to National Trust properties to measure modal share, identify those factors which have the greatest impact and the effectiveness of policies to achieve modal shift. The paper concludes with a discussion outlining the need for a co-ordinated, integrated approach to tourism mobility, highlighting the limitations arising from stakeholders operating in isolation.

Keywords : Car dominance, day visits, National Trust.

1. INTRODUCTION

Transport is clearly tourism's largest contributor to greenhouse gas (GHG) emissions (see Peeters et al. 2007) and generates significant environmental impacts. This applies to tourism in the UK, where international arrivals and departures are dominated by air and domestic tourism by car. Although the UK government has committed to an 80% decrease in carbon emissions over 1990 levels by 2050, it is also committed to growing its tourism industry in policy documents issued by the Department for Culture, Media and Sport (DCMS 2004).

Previous work by the authors has focused on the potential conflicts between transport policy and tourism policy objectives in the UK (Robbins et al. 2007). This work acknowledges that the dual aims of increasing the economic benefits from tourism including an increase in domestic UK tourism and a more sustainable less car dominated transport policy, does not have to be contradictory, but there is significant potential for conflict. In the first instance central government has to establish what its objectives and targets are, and this has to be compared with the objectives of key stakeholders in the transport and tourism industries, and accessed

for consistency.

One obvious approach to achieve tourism growth and maintain visitor numbers whilst meeting environmental objectives is to achieve a modal switch away from car to more sustainable public transport for domestic tourism. However does an increase in the public transport share automatically meet environmental targets, including a reduction of Greenhouse Gas (GHG) emissions? Indeed what are the objectives of achieving modal shift and do the objectives of government vary with those of local government, tourist boards and visitor attractions ?

A focus solely on modal shift is too narrow. For example, what does an increase in the share of arrivals by public transport represent ? Certainly it can result in a decrease in GHG emissions, where visitor numbers or visitor nights have been retained or even increased, and the arrivals by public transport have substituted arrivals by car. However it is equally possible for the rise in the public transport share to represent a more or less static number of arrivals by public transport in a declining tourism industry, brought about by a decline in arrivals by car? Is this undesirable as it certainly results in a decrease in GHG emissions? Such an outcome is clearly in breach of the government's twin objectives of reducing GHG emissions whilst UK tourism grows faster than the rate of global tourism growth, in other words around 4% per annum (DCMS 1999, DCMS 2004). However for other stakeholders, such a decline may not seem so negative. For instance, if a rural destination suffers from congestion, noise pollution and visual intrusion, an absolute decline in car visitors can bring about solutions to these issues and improve visitor satisfaction. Indeed, whilst in the short term visitor numbers, visitor nights and visitor spend will

decrease, it is not impossible to envisage how such a strategy may well preserve the longer term viability of the area as a tourist destination, by improving its conservation and thus retaining its attractiveness.

Finally an increased public transport share can result from an increase in arrivals by public transport, with arrivals by car remaining fairly static. This scenario will not see a fall in GHG emissions, indeed they are likely to increase, albeit not as much as they

would be if visitor growth was fuelled by car arrivals. However such a scenario can meet two specific policy objectives, namely a growth in visitor numbers and also objectives of social inclusion. Around 24% of households in the UK do not have access to a car (DfT 2008) and an improved public transport network allowing them to visit attractions they could not previously access meets a range of governmental social policies.

Therefore an increase in the share of arrivals by public transport should not be the sole, or indeed principal policy objective. It is indicative of success and progress towards sustainable access, but there needs to be a much more integrated approach to tourism planning with the key policy objectives established, whether they are social, environmental, economic or GHG emissions, and measurable targets set.

The paper uses a case study of visitors to 150 National Trust properties to measure current modal share, observe time series trends and evaluate policy approaches by one stakeholder. It identifies those factors which have the greatest impact on reducing car dominance and considers the effectiveness of specific policies to achieve modal shift. The paper concludes with a discussion outlining the need for a co-ordinated, integrated approach to tourism mobility, highlighting the limitations arising from stakeholders operating policies in isolation.

2. METHODOLOGY

Between 1st April to 30th September 2008, 150 National Trust properties participated in the annual Visitor Survey in England, Wales and Northern Ireland. A total of 79,308 completed questionnaires were returned.

Self-completion questionnaires were distributed by National Trust staff and volunteers to visitors leaving the property. Each property follows a set of guidelines which are designed to ensure that the sample has good representation across the visiting season e.g. an appropriate member, non-member split. The quality of the survey methodology is checked every three years through a 'control' sample to ensure that the results are reliable.

The questionnaires were distributed with their pre-paid envelopes to a cross-section of visitors to represent the seasonal flow of visitors and the member / non-member split.

The annual Visitor Survey includes a relatively small number of questions on transport used for the visit, and analysis of this data demonstrates the modal share.

3. FINDINGS.

The 2008 National Trust (NT) visitor survey is dominated by NT members, who make up over three quarters of the sample, which closely represents the member / non member split of visitors nationally. The sample is virtually evenly divided between day visits from home and staying visitors, with a minority of the holiday visitors staying with friends and relatives (see Table 1).

Table 1. Where have you travelled from today?

		Frequency	Percent	Valid Percent
Valid	Home	41191	51.9	52.3
	Friends / relatives	6426	8.1	8.2
	Holiday accommodation	29533	37.2	37.5
	Other	1545	1.9	2.0
	Total	78695	99.2	100.0

3.1 Modal Split

Travel to NT properties is dominated by car travel (see Table 2). Despite the development of a green transport plan by the NT over recent years, with an objective of reducing dependence on arrivals by car, (Dickenson et. al. 2004, National Trust 2005), the car share remains stubbornly high at around 90% and has remained fairly constant since 2002.

Table 2. Methods of Transport to NT Properties 2002 - 2008

	2002	2003	2004	2005	2006	2007	2008
Public transport	1.5%	1.9%	0.8%	1.6%	3.8%	2.6%	2.8%
Coach (organised group)	5.4%	3.9%	3.9%	5.6%	5.9%	5.1%	5.1%
Bicycle	0.2%	0.4%	0.3%	0.4%	1.5%	0.6%	0.5%
Motorbike	0.2%	0.2%	0.2%	0.3%	1.5%	0.7%	1.5%
Walked	1.8%	1.6%	1.2%	2.3%	3.6%	3.2%	3.7%
Car	89.7%	91.5%	91.7%	90.2%	95.0%	90.8%	90.7%
Other	0.1%	0.1%	0.7%	0.0%	0.0%	2.3%	1.3%
	99.0%	99.7%	98.7%	100.4%	111.3%	105.3%	105.6%

^o The wording on the questionnaire was changed in 2006 making direct comparisons with data for 2005 and before more difficult. Prior to 2006, respondents were asked their main mode of transport. Since 2006 they were asked to list all modes of transport used to reach the property and some respondents gave two or more modes generating totals exceeding 100%. In particular, the data post 2006 demonstrates an increased share for walk, reflecting its use as a supplementary mode used in the overall journey. Nevertheless the data does demonstrate a stable car share over a prolonged 7 year period, although the higher car share for 2006 is unexplained.

The 90% share of arrivals by car at NT properties is at the high end of the UK spectrum. An analysis of UK tourism statistics shows the car dominates domestic tourism travel accounting for around 76% of all trips to and from holiday destinations (VisitBritain 2007) whereas the day visits share by car is 68%, but at its highest for day visits to rural areas (82%) and National Parks (91%) (Natural England 2006) and the NT share is on a par with the share for trips to National Parks. This perhaps reflects the remote and inaccessible location of many National Trust properties.

NT members who constituted the majority of the sample, are more car dependent than non members. Around 92% of members arrive by car compared with only 83% of non members. NT attractions have the added disadvantage that members see free admission and access to parking as a component of their membership that they actually pay for, which potentially makes it difficult to impose some measures of car constraint to this important group of visitors.

Interestingly, and in contrast to the national statistics, there was very little difference in the proportion of arrivals by car from day visits compared to those travelling from holiday accommodation (Table 3).

Table 3. Main Methods of Transport to the NT Property by where respondents travelled from.

Travelled From	PT.	Coach	Car	Other
Home	2.9%	6.1%	90.7%	4.9%
Friends & Relatives	3.4%	0.8%	95.2%	6.5%
Holiday Accommodation	2.9%	3.9%	90.1%	9.9%
Other	1.9%	1.5%	78.3%	16.8%

3.2 Location

Although the overall public transport share of visits to NT properties is low, there are much higher public transport shares for specific properties. The properties were categorised into rural locations and more 'built up' urban locations. The vast majority of properties were, not surprisingly, classified as rural and these attracted most of the visitors. However location influences the public transport share significantly (Table 4).

Table 4. Mode of Transport Used to Access NT Properties by Location of Property.

Mode	Built – Up Area n = 7291	Rural Area. n = 70867
Car	75.2%	92.1%
Coach	5.2%	5.1%
Public Transport	17.6%	1.5%
Other*	19.4%	5.9%

* There is a large share for walk in urban areas (13.4%) not replicated in rural areas.

A total of 6 properties attracted over 20% of arrivals by public transport (Table 5) and the location of the property was clearly a decisive factor. Properties situated in major cities, or even in the centre of towns large enough to support rail services and frequent bus services such as Bath and Salisbury, attracted the largest public transport shares.

Table 5. Properties with a High % of arrivals by Public Transport.

Property	PT	Car	Coach	Other	Comment
Birmingham	52.5%	48.5%	2.0%	4.2%	Inner City Location
Back to Backs					
Prior Park	42.6%	55.9%	4.2%	0.2%	Central Bath. Subject to Green Transport Plan
Treasurer's House	37.8%	43.0%	6.8%	7.2%	Central York

Mompeson House	27.6%	56.9%	11.0%	5.9%	Central Salisbury
Osterley Park	25.3%	68.4%	4.8%	5.2%	Greater London
					Large PT share
					Despite bus service
					over 15 min walk
Ham House	21.8%	72.3%	2.8%	9.2%	Greater London
					Bus service 15 min
					walk

3.3 Access to Public Transport.

It is perhaps too easy to accept that a high share of arrivals by car is inevitable due to the difficult or inaccessible location of NT properties. Analysis of the 150 properties included in the 2008 NT survey, using information from the NT website and the on line travel information service TransportDirect.com, established that the majority of these properties (63%), attracting 61% of visits, were accessible by public transport. For the purposes of this study access was defined as having a public transport service, most commonly a bus service, within a 15 minute walk of the property.

In addition, there were a small number of properties (6%) with partial public transport access. This usually constituted services on Sunday or Bank holidays only, although some services demonstrated other limitations including a pre-booking requirement with at least 24 hours notice. A decision was taken that this level of service severely limited the potential public transport share of visitors to these properties and they were most appropriately classified as not having public transport access. Indeed none of these properties attracted more than 3% of visitors arriving by public transport and most had a share of under 1%, with the exception of Sissinghurst Castle, whose bus service was of three days per week attracted a 6.4% share.

Further research on public transport access to NT properties is required. A severe limitation of the analysis for this paper was the exclusion of data on the frequency of the public transport service and this will be explored in the next stage of the research. However there is clearly a significant difference between infrequent rural services, where

frequencies can be as low as 2 or 3 buses per day, and frequent services with headways of once an hour or better. Indeed Table 5 demonstrates that access to a frequent and extensive public transport network, even if the stop is over a 15 minute walk away, can achieve high public transport shares (Osterley Park). This supports the findings of Gronau et al, (2007) who found an increased number of people using public transport to access leisure facilities in Germany in relation to increased frequency of provision.

There was only a slight difference, but significant at 95% level, between the share of car arrivals to properties classified as having public transport access (89%) and those classified as not having public transport access (93%), so the existence of a public transport service does little on its own, to reduce the car share. More unexpected was the fact that 26% of all public transport arrivals were at properties classified as not having public transport access, in other words the nearest service was over a 15 minute walk away. These properties collectively attract 39% of all visits in the survey (so 74% of public transport arrivals are at properties which attract 61% of visits). Examples such as Osterley demonstrate that high shares that can be achieved by public transport, even when there is not a service within 15 minutes.

3.4 Distance

Data on distance travelled to the NT property was collected from a closed question and the majority of visitors travelled between 5 and 50 miles (Table 6). Using this grouped frequency data, the authors have also estimated a crude average distance travelled to NT properties at around 29 miles. This is a longer average distance than that travelled for UK leisure daytrips generally which ranges from 14.3 miles (23 kms) (DfT 2006) to 17.1 miles (Natural England 2006) in two different surveys.

Table 6 : How far have you travelled to get to this property?

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Under 5 miles	8413	10.6	10.7	10.7
	5-14 miles	20131	25.4	25.7	36.4
	15-24 miles	17263	21.8	22.0	58.5
	25-49 miles	18982	23.9	24.2	82.7
	50-74 miles	7498	9.5	9.6	92.2
	75+ miles	6075	7.7	7.8	100.0
	Total	78362	98.8	100.0	
Missing	System	946	1.2		
Total		79308	100.0		
Estimated Mean Distance.		28.8 miles.			

Those travelling from home travelled significantly further than those travelling from holiday accommodation (Table 7). However quite long distances are being travelled by tourists in the destination area (23 miles), and these journeys are being made predominantly by car. This clearly show the potential benefits that could be gained if more tourists are encouraged to travel to their holiday destination by public transport.

Coach passengers on an organised trip travelled the furthest (approximately 54 miles). As expected, there was a difference in the distance travelled by car users (28 miles) compared to those arriving by public transport (26 miles) although it was somewhat smaller than expected. The average distance travelled to urban properties was less than to rural properties (Table 8). However with an average distance of approximately 25 miles, it is clear that urban properties are not merely attracting visitors from the immediate vicinity.

There is virtually no difference in the average distance travelled by NT members and non members.

Table 7. How far have you travelled to get to this property?

Where have you travelled from today? Please tick ONE box ...	Mean	N	Std. Deviation
Home	33.4835	40875	25.24519
Friends / relatives	26.3493	6378	22.96332
Holiday accommodation	22.7646	29342	20.89902
Other	31.0501	1527	28.56739
Total	28.8276	78122	24.12946

Table 8. How far have you travelled to get to this property?

Is the property rural or urban?	Mean	N	Std. Deviation
Rural	29.2461	70488	24.06431
Urban	24.7792	7252	24.34898
Total	28.8294	77740	24.12585

3.5 Specific Measures.

Prior Park

One of the highest profile attempts to reduce the car domination of visits to an NT property is Prior Park, situated in the south of Bath about 30 minutes walk from the city centre. It has been designated a 'Green Tourism Site' and specifically only provides parking for the disabled and some cycle parking. As part of an integrated strategy the NT subsidises established bus services, most notably on a Sunday, and also has negotiated an appropriate stop with an open-top tour bus company.

Clearly, this strategy has had an impact with over 40% of arrivals by public transport (Table 5). However there are still significant numbers of visitors who arrive in Bath by car and park elsewhere in the city. Furthermore, the policy has also clearly had an impact on the visitor profile, most notably attracting many more visitors from a very local catchment area. Over 60% of visitors travel under 14 miles to Prior Park and the estimated mean distance is approximately 19 miles. This smaller catchment area may also result in lower than expected visitor numbers.

Greenway House and Gadrens

Greenway House has also developed environmental policies, having been awarded the South Hams Green Tourism award (Gold). The transport strategy has a twin approach of a carrot and a stick. There is a traffic management system with the declared aim of relieving traffic pressure on the local village. Visitors wishing to park their car at Greenway must pre book a parking space with at least 24 hours notice. Furthermore, arrival and departure is relatively inflexible as the booking sets out both arrival and departure time. Operating in parallel with this policy of car restraint is the carrot of encouraging arrival by 'green ways'. Transport to the property has been incorporated into the leisure experience with ferry services operating to the property (within 800 yards) along the River Dart from Dartmouth, Brixham and Torquay. Visitors arriving by 'green ways' also benefit from a reduced admissions charge. The share of arrivals by car is 71% and the average distance travelled by visitors is approximately 16 miles.

Gibson's Mill

Gibson Mill is also designated 'a model vision of sustainability'. Whilst this designation governs the way the mill is operated, it also includes promoting sustainable transport, although interestingly the nearest bus service is approximately 1 mile away. Whilst the impact is less marked than for Prior Park, the car share is 71.4%, which compares favourably to the overall car share of visits to NT properties and the public transport share of 16.3% is impressively high, given the distance to the nearest service. There is a large walk share (38.8%) although clearly a number of public transport users have also answered walk as the responses total well in excess of 100%. The average distance travelled is approximately 16 miles.

Fountains Abbey

Fountains Abbey publicises half price admission for those arriving by bus. This is not the first attempt at using a ticket price to influence travel decisions. Oswin (1999) cites a trial at Legoland, with a dedicated bus service from the rail station to the theme park and the approach has also been used by the Eden project (Robbins et al. 2008). The policy has been ineffectual at Fountains Abbey with over 97% of arrivals by car and under a 1% share of arrivals by public transport.

4. DISCUSSION.

This case study does not initially give rise to optimism. The overall picture of travel to NT properties is one of car dominance, with little evidence of a reduction in the car share over time, despite the NT's efforts. Furthermore there is public transport access available to the majority of properties included in the survey and information on public transport services to NT properties is now easily available. Clearly the existence of a public transport service and easy access to information on that service, is not sufficient to achieve a significant modal switch away from car. This perhaps suggests that the use of scarce resources to provide special services to inaccessible NT properties, such as subsidising a bus link from the nearest railhead is not the best use of scarce resources to achieve either significant modal switch or a reduction of GHG emissions, especially if the frequency of the service is low. Services restricted to weekends only also appear to be ineffective. However it is important to establish what the objectives of such services are, as they clearly meet social inclusion objectives for members of households who do not have access to a car.

However further analysis of the data shows that within the overall picture there are NT properties which achieve much higher public transport shares. Several factors contribute to a higher public transport share, of which location of the visitor attraction is the most

critical. Efforts to further reduce the overall share of arrivals by car will be most successful, if in the first instance effort and resources are concentrated on the minority of properties in urban locations. There are urban locations with relatively low access by public transport (for example Speke Hall in Merseyside) which would appear to have the greatest scope for a reduction in access by car. Frequency of service would also appear to be an important consideration.

Policies of car restraint (the stick), limiting access to parking are clearly very effective (Prior Park and Greenway House), whereas attempts to offer incentives to encourage increased public transport use (the carrot) appear to remain ineffective, unless, as in the case of Greenway House, they are combined with a measure of constraint.

Attempts have been made to ensure that the main stakeholders, local government, tourist boards, visitor attractions and public transport operators coordinate their efforts. The NT for instance cite 28 schemes to provide car free leisure access where they operate in partnership (National Trust 2005). However such schemes tend to be opportunistic and piecemeal, with the potential for differing policy objectives. There is also a history of schemes being temporary, when local authority funding runs out or short term revenue objectives are not met (Dickinson et al. 2007).

The government needs to take a lead by setting national policy objectives, prioritising between social, economic and environmental objectives and coordinating and funding a more structured integrated transport and tourism policy in consultation with the main stakeholders. A steering committee with stakeholder representation to advise government and develop proposals based on evidence, would be an important first step.

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Developing the destination management system of Iran: opportunities and challenges for destination management organisations

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Abstract

In today's rapid changing world, information and communication technologies have revolutionized the tourism industry and have created a new paradigm shift in the management and development of destinations. As a result, several destinations benefit by developing the destination management systems (DMSs) which enable them to coordinate their operations and promote their products and services .

DMSs can be used as strategic management tools, for destination management organizations to effectively develop their destinations and to communicate their marketing message in the global marketplace and thereupon establish platforms for enhancement of tourism benefits at the destination level. In this sense they can contribute to the profitability of tourism enterprises at the micro level, and the economic impact of tourism at the macro level. Major opportunities and challenges emerge for destinations, and only those destinations which have benefited from enabling tools can have the means of survival and competition. The level of e-tourism developments, however, varies among regions, countries and continents .

The key objective of this research is to explore to what extent the tourism sector of Iran is ready to adopt and develop a common and more flexible technological infrastructure that can facilitate the development of destination management system and to examine the e.Tourism developments in Iran as a country that is gradually embracing e-Commerce and is in its infancy stages. In particular the research examines the level of e-Commerce infrastructures development as well as whether the level of e-Commerce development is sufficient to enable destination management systems development in the country .

Results indicate that Iran is at the early stages of its e-commerce deployment, but that it demonstrates great potential for further e.Tourism developments. The low level of cooperation between stakeholders, however, and the serious doubts about the ability of the national tourism organisation (NTO) to coordinate the destination makes the prospect of a DMS development in Iran doubtful. The research concludes that ICT-enabled local cooperation can potentially assist DMOs to enhance their competitiveness and increase their global presence .

1. Introduction

Information and Communication Technologies have been transforming tourism globally. The ICT driven reengineering has gradually generated a new paradigm-shift, altering the industry structure and developing a whole range of opportunities and threats. ICTs empower consumers to identify, customize and purchase tourism products and supports the globalization of the industry by providing tools for developing, managing and distributing offerings worldwide. Increasingly, ICTs play a critical role for the competitiveness of tourism organisations and destinations (Buhalis 1998, 2003; O'Connor 1999; Sheldon 1997; Poon 1993). ICTs are becoming a key determinant of organisational competitiveness and a wide range of technological developments propel this evolution. Successful ICT deployment requires innovative management to constantly review developments and adopt suitable technological solutions in order to maximize organisational competitiveness.

Destination management organizations are gradually realizing the potential opportunities emerging through ICTs and use technology in order to improve their function and performance as well as for communicating their marketing message globally. It gradually becomes evident that destinations that provide timely, appropriate and accurate information to consumers and the travel trade have better chances of being selected. The ability of destinations to satisfy the information and reservation needs of buyers efficiently, by providing appropriate and accurate information on-line, will be critical for their future attractiveness (Buhalis 1995). Hence, ICTs and DMSs in particular can support destinations in strengthening their competitiveness.

Iran, despite its great cultural, historical and natural potential has not been able to benefit from these potentials in an effective way.

2. DMS structure and function Level

The establishment of a DMS depends on the costs involved and the capacity of DMOs to run different functionalities, depending on the technological, human and financial resources available, and the capacity of the various stakeholders. Success in the development of a DMS is mainly associated with its organisational structure and the cooperation mechanisms established between the government and the private sector.

DMS can have different forms and functionalities depending on financial, human capacity and organisational characteristics of DMOs. They can be divided into four categories depending on their different functionalities, as shown in figure 1. A new function is being added from one level to the next (O'Connor 1999)

- Level 1: includes the distribution of information on tourism products and services (like an electronic brochure);
- Level 2: includes the function of level 1 plus online reservation facilities;
- Level 3: includes the functions of levels 1 and 2 plus customer database management to improve the marketing of the destination globally;
- Level 4: includes the functions of levels 1, 2 and 3 plus the strategic management of the destination.

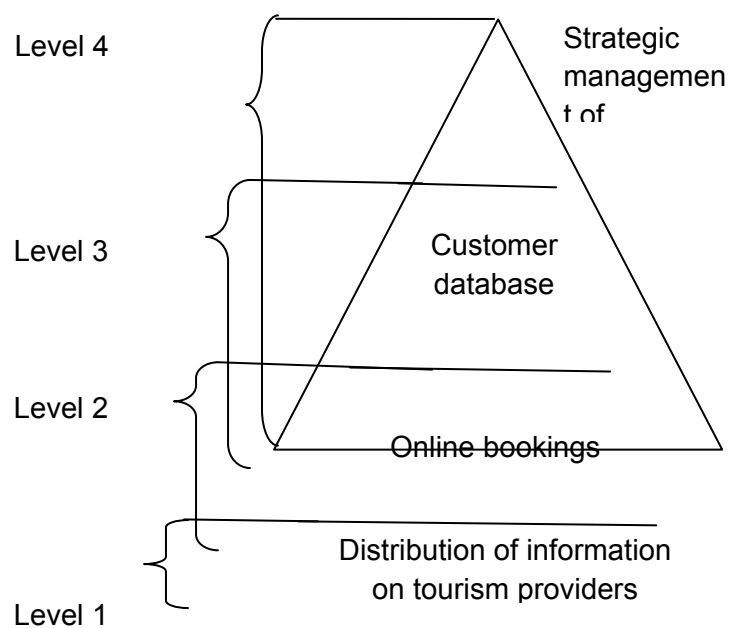


Figure 1. DMS functionality levels

Source: O'Connor (1999)

The large majority of DMSs in developing countries have only reached level 1. Table 1 details some of the main services and functions that a DMS should include in order to meet the expectations of stakeholders, in particular consumers and tourism sellers. The two sub-level categories, “informative” and “strategic”, are intended to reflect the degree of information that DMOs can gradually offer when building up their DMS. Depending on the degree of requirements and the availability of resources of destinations in developing countries, DMS can be gradually implemented in four stages as noted above(UNCTAD 2005).

Table 1. Key services and functions of a DMS

Source: UNCTAD (2005)

Services and functions of a DMS	Informative	Strategic
General information	<ul style="list-style-type: none"> ✓ Information on destination: history, culture, natural assets, geography, main tourist attractions; ✓ Practical information: visa requirements, international and national companies flying to the country, maps, pictures, specific events (festivals, fairs, markets^o), weather forecasts, entertainment^o), foreign consulates within the country, embassies abroad, vaccinations, hospitals, currency and foreign exchange, etc. 	<ul style="list-style-type: none"> ✓ Content available in the languages of destinations» main existing and potential tourism markets; ✓ Depending on the language chosen, the content and its presentation can differ to match different targeted tou-rism markets.
Management of information on tourism products and services	<ul style="list-style-type: none"> ✓ Accurate description (including photos) of the products and services (accommodation, restaurants, museums, cultural centres, boutiques, etc.), including information about surrounding areas; links to their websites if available; ✓ Information on cultural or leisure activities;- Excursions and guided tours; ✓ Contacts of national travel agencies, transport companies (airlines, train, car, boats, etc). 	<ul style="list-style-type: none"> ✓ Suggestion ideas for holidays: places to go and things to do (adventure, nature, sports, art and culture, gastronomy, etc.); ✓ Itinerary planning; ✓ Real-time dynamic/customized packages; ✓ Information search by key word, category, geographical location, etc;- ✓ Market optimization and yield management.
Customer management functions	<ul style="list-style-type: none"> ✓ Customer database management; ✓ Communication with customers by e-mail, telephone or fax, via a call centre, or direct contact with tourism providers. 	<ul style="list-style-type: none"> ✓ Market research and impact analysis; ✓ Marketing campaigns.
Reservation functions	<ul style="list-style-type: none"> - Bookings are made by e-mail, telephone or fax, via a call centre, or by contacting directly the suppliers. 	<ul style="list-style-type: none"> ✓ Online payment; ✓ Security of transactions.

3. E.Tourism in Iran

SamaPardaz and Homa Information Technology are private companies, authorized to develop and distribute both Global and Hotel Reservation System in Iran.

Samapardaz is an Information Technology company and sole distributor of Galileo (Global Distribution System) in Iran. An approximate 450 travel agencies and tour operators were connected under Galileo's network, but in July 2002, due to U.S trade embargo Galileo ceased its operation in Iran that forced all of the travel agencies and tour operators to switch to other GDS networks. Since then, SamaPardaz has been more active in developing their own brand of GDS and Hotel Reservation System (HRS). SamaPardaz Computer Reservation System (CRS) is currently being used in Kish Airlines.

In March 2003, Amadeus Europe assigned Homa Information Technology as their sole distributor of Amadeus GDS in Iran(Farzin 2004).

380 travel agencies and tour operators are connected to Amadeus GDS network, which enable them to make reservation to:

- Local airline services;
- 469 International airlines services ;
- International rail services;
- International cruise and ferry services ;
- 63,540 hotels worldwide;
- International car rental services.

The high service cost for each sector has discouraged most travel agents from joining this network(Kazemi and Fayyazi 2005).

Gabriel GDS is also commonly used in the airline industry. Nearly all of Iran and Asseman Airline's travel agents are on Gabriel's network.

Based on observations and interviews, a high proportion of all hotels in Iran are still dependent on manual or telephone reservation system. The low utilization of Hotel Reservation System (HRS) suggests:

- Hotels fail to understand the need for HRS;
- Hotels are not keen for expansion;
- Lack of government support in promoting HRS.

Further analysis on the above initiatives reveals that constraints introduced by both Iranian financial and legal system have limited the growth of advanced e-Commerce application relating to e-Payment or transaction completion.

Intranet is found to be widely used among the key players across the supply chain. E-Mail is the most frequently used computer application. It is relatively easy to employ personnel with basic computer skills in the tourism industry due to the rapid growth in ICT institutions.

4. Structure of DMO of Iran

There are primarily two government organisations with responsibility for the tourism sector, Supreme Tourism Council (STC) and Iran Cultural Heritage, Handicrafts and Tourism Organisation(ICHHTO). Supreme Tourism Council is primarily involved in policymaking. It has been actively involved in removing legislation that hindered the development of the tourism industry and setting a new development path for Iranian tourism industry through "Tourism Master Plan".

Tourism Master Plan report highlights (UNDP, ITTO, WTTC 2003) the importance of e-Commerce in Iranian tourism industry, which includes the following recommendations:

- Development of One-Stop Information Portal;
- Formation of “Infomediaries”;
- Improved current tourist data collection methods;
- Establish Destination Management System in the public sector.

The ICHHTO as the national tourism office (NTO) is the lead agency in regard to the planning, development, promotion, and regulation of tourism in Iran. It is one of the attached agencies of the Ministry for Islamic Guidance and Cultural Affairs. ICHHTO is responsible for promoting and regulating the development of tourism at a national and provincial level. Historically, the ICHHTO, (through public sector owned and controlled corporations and foundations) has also been responsible for delivering tourist information, accommodation, travel, tour, and attraction services. However, the ICHHTO is mandated to divest itself of its commercial functions and focus its attention upon creating the appropriate policy, planning, promotional, and regulatory framework for tourism growth through the private sector.

Based on interview, ICHHTO has engaged in two important e-Commerce initiatives (UNDP,ITTO 2003):

- Tourism Information Portal (www.tourismiran.ir);
- Tourism Data Warehouse.

Tourism information portal is an effective tool for providing valuable information on Iran and as well as promoting Iranian tourism abroad. The current information portal suffers from lack of support and promotion from industry players. Therefore, ICHHTO is currently studying the possibility of improving their information portal by adding more interactive links that relates to the activities conducted by the industry players.

Tourism data warehouse is aimed at gathering data and information from various tourist entities in Iran. ICHHTO is positioning tourism data warehouse to be a central repository point for other web based initiatives to be based upon. The portal is currently under planning stage but once completed tourism data warehouse will provide comprehensive and effective tourism information across the tourism industry.

Intranet and Internet are found to be widely used in ICHHTO with a high number of personnel equipped with personal computer for their daily operation. Meanwhile, e-Mail application indicates to be the most frequently used computer application followed Microsoft office packages.

5. Research Methodology

This study addresses the foundations, defined as the pre-requisites for the successful development of e-Commerce in the country; including economy, legal framework, logistics, people and culture and technical readiness. The objective of studying the foundations is to identify constraints to the development of e-Commerce and to develop specific initiatives to facilitate the development of e-Commerce on a national basis.

The study also covers tourism as a vertical industry sector. The objective of studying tourism as a vertical sector is based on three criteria:

- A sector that makes a significant contribution to the Gross Domestic Product (GDP) of Iran;
- A sector that is included of various industries with different levels of development ranging from more traditional sectors to more developed sectors such as telecommunications;
- An understanding of the successful e-Commerce development strategies adopted by other countries.

This can further help to identify specific e-Commerce initiatives that can be used to address sector priorities. Therefore e-Commerce is seen as an enabler that can lead to improvements in the sector and not as an end in it-self.

The main section is divided into three main phases which are indicated below:

Phase 1: “As-Is”, Assess strategic sector priorities and e-Commerce development;

Phase 2: “To-be”, Identify the desired state for e-Commerce in Iran;

Phase 3: “Gap Analysis”, Assess size of the gap between the “As-Is” and “To-Be”.

5.1 As-Is

The main objective of the “As-Is” phase of the research is to understand the key sector priorities and the current level of e-Commerce development in the sector.

Identification of sector priorities was based on industry interviews, desktop research, input from Subject Matter Experts (SME), Iranian Third Development Plan and Tourism Development Master Plan. Based on input from these sources the main priorities for the tourism sector are:

- Develop Iranian tourism brand - Develop a unique brand, which would be immediately recognizable, distinctive and desirable;
- Increase number of tourist arrivals – There is need for better marketing and promotion of Iran as a tourist destination on an international basis;
- Develop niche tourist markets – Opportunity to develop additional revenue streams e.g. winter tourism, eco-Tourism;
- Provide comprehensive information to tourists - Despite growth of the internet, finding good information on Iranian tourism is difficult;
- Preservation of tourist sites – The preservation of Iran's rich cultural heritage needs to be improved;
- Improve on Quality of Service - The quality of service throughout the tourism value chain is below international standards;
- Review existing laws – To make it easier for international tourists to visit Iran;
- Encourage real private sector involvement – Many services required by tourists can be more effectively provided by the private sector;
- Improve on current tourism infrastructure - Significant investment is required to develop Iran's tourist infrastructure to international standards.

The tourism sector has significant potential based on Iran's rich cultural heritage and diversity of the natural environment, however it also has some significant problems that need to be overcome.

A second component of the "As-Is" section is to identify the current status of e-Commerce development in Iran. The start point of the analysis is to identify the value chain for the industry sector. The value chain defines the main players within the sector, their function and relationship between them.

The tourism sector has been one of the most proactive sectors in the development of e-Commerce in Iran. Many players are already embarking or preparing to embark on e-Commerce initiatives. Some notable e-Commerce initiatives in the tourism sector include :

- Information Portal for tourists developed by ICHHTO;
- Online Booking and Reservation by Iran Aseman Airline;
- Online Ticketing by Raja Passenger Company;
- Home Grown Customer Reservation System (CRS) by Sama Pardaz.

A third component of the “As-Is” section is to assess the extent to which the foundations are a constraint to the development of e-Commerce in Iran.

In the tourism sector many players identified the Iranian banking and legal system as holding back the development of e-Commerce. In particular, lack of e-Payment systems makes it impossible to complete transactions online. In contrast people issues are not regarded as a constraint to the development of e-Commerce. It is relatively easy to employ personnel with basic computer skills in the tourism industry due to the rapid growth in ICT institutions.

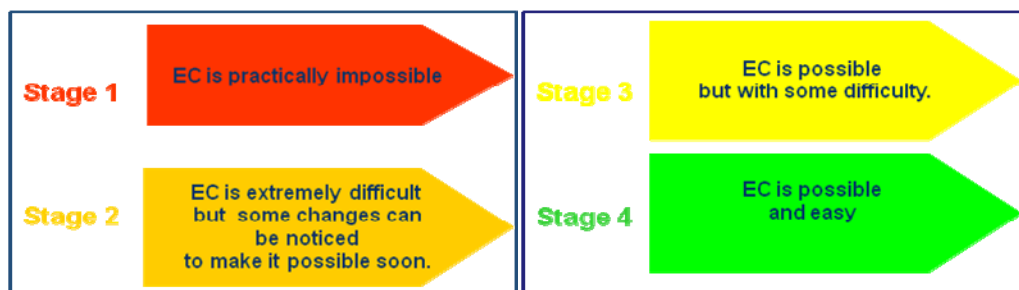
Table 2. demonstrates the present situation of the foundations and their level of development. At the moment the country is still in the first stage. Priority to the foundation Initiatives prepares the second stage by launching some e-commerce initiatives in each selected sector. The analysis of Iran’s current positioning against the enabling factors, shows that a majority of enabling factors are in stage 2 or 3, indicating the status of the country is right for the development of e-Commerce but Iran faces real challenges:

- The legal framework where some enabling factors are located in stage 1 ;
- The need to develop awareness and trust;
- Further develop infrastructure: Tele-density, high speed internet access and payment gateways.

Table 2. The present situation of the e-Commerce foundations

Enabling Factor	Stage 1	Stage 2	Stage 3	Stage 4
Technical Readiness				
Telecommunication Infrastructure Readiness			X	
Network Speed and Quality Readiness			X	
Internet Availability				X
Locally Relevant Content			X	
Hardware and Software Availability			X	
Services and Support Readiness			X	
EC Required e-Services Availability		X		
Technological Standards		X		
Logistic				
Time Sensitive Delivery		X		
Availability of Professional Logistics Services		X		
Efficient Domestic Infrastructure			X	
Systems Integration Capability		X		
International Supply Chain		X		
Critical Mass of Skilled Logistics Professionals		X		

Enabling Factor	Stage 1	Stage 2	Stage 3	Stage 4
People & Culture				
E-Commerce Awareness		X		
E-Commerce Trust		X		
E-Commerce Affordability			X	
E-Commerce Usability		X		
E-Commerce Competency			X	
Legal Framework				
Electronic evidence		X		
Certification Service Provider	X			
Data Protection/Privacy		X		
Authors right/copyright		X		
Consumer protection		X		
Unfair Competition law	X			
Civil Liability		X		
Telecommunications Regulations		X		
Tax Law		X		
Principle body	X			
Substantive Criminal Law	X	X		
Criminal Procedural	X			
International Criminal Law	X			
Substantive Cyber-Crime	X			
Procedural Problems	X			
International Problems	X			



Iran's current position is in the readiness state with only minimal usage of e-Commerce for transactions within most industry sectors. The following foundation sectors need to be

carefully reviewed in order to support the development of e-Commerce in the tourism industry:

- Economics
- Legal

The following foundation sectors are satisfactory and are not regarded as significant constraint to development of e-Commerce in the tourism sector:

- Logistic
- People and Culture
- Technical Readiness

5.1.1 Economics

The review on Iranian economic foundation reveals that the current financial and banking infrastructure is deemed inadequate for the development of e-Commerce in the tourism sector(UNDP 2003). Among the issues that were found to hindering the growth of e-Commerce includes:

- Non existence of payment gateway;
- Limited money transfer facilities;
- Limited credit card usage and accessibility;
- Limited number of foreign currency exchanges.

Other factors that are shaping the Iranian economy includes United States economic embargo since 1980's and the double digit inflation rate experienced throughout the early 1990's. Amongst other things the embargo prohibited foreign financial (Insurance & banks) and credit card institutions (e.g Visa, MasterCard, American Express) from operating in Iran.

Based on interviews with major hoteliers and travel agents, most hoteliers and travel agents are supportive of e-Commerce initiatives but the absence of credit cards and payment gateways in Iran prohibits them from venturing into full blown e-Commerce applications. Although a distinct few have resorted to work with foreign financial institutions and foreign Internet Service Providers (ISPs).

Currently tourism industry players are concerned about:

- Weak enforcement of Patenting and Copyright acts;
- Non existence of e-Commerce Legal Framework.

The absence of strong enforcement of Patenting and Copyright acts has discouraged the development of home grown application in the tourism sector. Some GDS and HRS developers (e.g. Homa IT and Samapardaz) indicate that the local grown applications are vulnerable to software piracy. Therefore, stronger enforcement are required to protect home grown applications vis-à-vis encourage the development of Iranian software industry.

Information is crucial in the tourism industry and the current absence of e-Commerce legal framework in Iran could result in data and information theft in the tourism industry. Based on interviews, many tourism industry players are found to be concerned about their data and information security (RPT 2001).

5.1.2 Logistics

In tourism industry, logistics refers to delivery of tourism related goods and services such as ticket delivery, sending of travel brochures, hotel confirmation letter and so on.

At present, tourism industry mainly relies on dispatch personnel to handle most of their logistic needs. Apart from dispatch personnel, delivery by mail is commonly used, Iran Postal Service provides time sensitive delivery e.g. EMS (Pishtaz Post) to meet the need of modern tourism (<http://www.irpost.com>). With EMS, the mail accepted in Tehran heading for the provincial capitals and other cities in Iran are delivered within a day or two. DHL a major international postal service actively operates in Tehran and is highly preferred in the tourism industry for delivering urgent and sensitive documents.

The current channels of distribution are adequate to handle the present logistics needs of the tourism industry.

5.1.3 People and Culture

According to WTTC 2003 (World Travel and Tourism Council) Report, Iranian tourism industry directly engages 680,000 personnel, representing 3.6% of total employment in 2002. Meanwhile an indirect employment is estimated to be in the region of 1.5 million personnel(WTTC 2003, UNDP, ITTO 2003).

Based on interviews and field observations, a high level of computer literacy is demonstrated among the personnel engaged in tourism industry as illustrated on Table 3.

Table 3. Computer Literacy in Tourism Industry

Source: Interviews

Industry	Computer Literacy
Airline	High
Airport	High
Railway	High
Metro	High

Major Travel Agents	High
Major Tour Operators	High
Government	High
Major Private Hotels	High
Major Public Hotels	Medium

In relation to the above, the high availability of numerous Information Technology (IT) training courses and compulsory IT education in universities and colleges has led to this high computer literacy rate.

Based on interviews with both Raja Passenger Company (major rail operator) and Iran Tour Travel Agency (major travel agent), employing people with general computer skills in the tourism industry is not an issue anymore. Accordingly, most of their employees demonstrate good IT knowledge prior to their employment. Engaging people with specialized IT skills, e.g. Gabriel, Amadeus are still a challenge and therefore, it is expected that universities and colleges to incorporate these modules in their training scheme.

SamaPardaz, Mahan Airlines and Tehran Metro have established their own training centre which enables them to provide continuous IT training and improvement to their personnel. High IT literacy and competency among personnel employed in the tourism industry should enable them to adapt to the demands of e-Commerce.

5.1.4 Technical Readiness

Recent government spending in the telecommunication sector brought about major changes which include an increase in the number of fixed line users, number of Internet users and most significantly the expansion of mobile phone usage. These developments contributed to e-Commerce development in the tourism industry in Iran and generally improved Iranian e-Readiness(EIU 2003).

The current infrastructure is deemed to be satisfactory for e-Commerce development with significant number of tourism industry players have either considered or embarked in some form of e-Commerce initiatives. Based on interviews, e-Mail applications are proving to be an important channel of business communication.

Although the infrastructure is found to be generally satisfactory, some technical readiness issues remain:

- Non existence of payment gateway;
- Slow Internet bandwidths;
- Unreliable dial-up connectivity;
- Majority of the web sites hosted overseas as .com prefix is preferred to .ir prefix.

It is hoped that ISPs will provide cost effective broad band connections (e.g. DSL, ADSL) in near future.

5.2 To-Be

The “As-Is” section identified the key sector priorities for the Iranian tourism industry. These key sector priorities are further explored in the “To-Be” phase to assess the extent to which e-Commerce can be used to resolve them.

The development of the “To-Be” e-Commerce vision for Iran involves 3 main steps:

Step 1: Categorisation of sector priorities into four areas related to product, process, people and relational. Examples of the types of problems within each category are shown below:

- Product problems: Poor product quality, outdated products, lack of research and development, wastage, poor logistics;
- People problems: Low level of education, lack of training, shortage of skilled workers;
- Relational problems: Poor marketing, lack of knowledge of customer requirements, lack of success in international markets, low customer retention rates.

Step 2: To identify e-Commerce opportunities that can contribute to solving the sector priorities. The e-Commerce opportunities were identified based on:

- Benchmarking of global “best practices” in the sector (WTTC 2003);
- An understanding of the appropriateness of “best practices” in an Iranian context.

For some sector priorities it was assessed that e-Commerce could not make any measurable contribution and therefore the priority was not taken forward into Step 3 of the analysis.

Step 3: To assess the degree to which the e-Commerce opportunity can help solve the sector priority. This assessment was made based on a firm understanding of the sector priority but also a realistic assessment of the potential of e-Commerce to address the priority. E-Commerce opportunities were ranked as high, medium and low. High meaning that the e-Commerce opportunity can make a strong contribution to solving the sector priority. Low meaning that the e-Commerce opportunity can only make a small contribution to solving the sector priority.

Eight countries were selected for review as part of the benchmarking study (WTTC 2003). Countries selection was based on the following criteria:

- To provide a broad geographical coverage including, Europe, Asia, North America and Australasia;
- To select countries where the consultants could leverage off their existing knowledge base;
- To select countries that were active in e-Commerce and where experiences might prove useful to Iran.

The results of the 3-Step analysis are summarized in Table 4 it was assessed that e-Commerce could not make any meaningful contribution to three of the sector priorities and therefore they have been excluded from Table 4.

Table 4 indicates that most of the problems faced by the tourism sector are in the area of process and relational with fewer problems in the area of people and product. This further supports the earlier finding that Iran has a good product to offer to tourists in terms of a rich culture and a great variety of tourist attractions but must improve on marketing, tourism infrastructure and customer service.

Table 4. The problems faced by the tourism

Problem categorization	Sector priorities	e-Commerce opportunity	Potential to solve sector priority		
			High	Medium	Low
Process	Preservation of tourist sites	Opportunity to develop a Destination Management System (DMS) to keep track on preservation and supervision efforts			✓
Product	Develop niche tourist markets	Opportunity to develop Event manager and ticket master to promote and ease the management of events			✓

People	Improve on quality of service	Opportunity to develop E-courseware and CBT (Computer Based Training)_programme to be incorporated in current Tourism Human Resource Development programme		✓	
Relational	Increase number of tourist arrivals through marketing and promotion	Opportunity to enhance the current One-Stop information Portal (www.tourismiran.ir)		✓	
		Opportunity to encourage the development of "Infomediaries"		✓	
	Develop Iranian tourism brand	Opportunity to enhance the current One-Stop information Portal (www.tourismiran.ir)			✓
	Provide comprehensive information to tourists	Opportunity to enhance the current One-Stop information Portal (www.tourismiran.ir)	✓		
		Opportunity to develop Tourism Data Warehouse		✓	

Table 4 indicates that some e-Commerce opportunities can make a positive contribution to more than one sector priority. For example, the One-Stop Information Portal for tourists can contribute to increasing number of tourist arrivals, developing an Iranian tourism brand and providing comprehensive information to tourists. For other sector priorities e-Commerce can only make a minimal contribution, such as the preservation of tourist sites.

5.3 Gap-Analysis

The "Gap-Analysis" phase covers three areas:

- The gap between the "To-Be" vision for e-Commerce and Iran's "As-Is" positioning;
- Development of the e-Commerce opportunities into e-Commerce initiatives;
- Prioritization of the e-Commerce initiatives.

Table 5 summarizes size of the gap between the e-Commerce opportunities identified in the “To-Be” phase and existing e-Commerce initiatives in Iran from the “As-Is” phase. The size of the gap is measured using the following definitions:

- Large: There are no e-Commerce initiatives or e-Commerce initiatives are only in the planning stage or existing e-Commerce initiatives are not aligned with the e-Commerce opportunity;
- Medium: Existing e-Commerce initiatives are a step in the right direction and can contribute towards achieving the e-Commerce opportunity;
- Small: Existing e-Commerce initiatives are close to achieving the e-Commerce opportunity.

The shading indicates where there are no e-Commerce initiatives in existence in Iran, therefore the size of the gap is large.

Table 5. Size of the gap between the e-Commerce opportunities

Sector Priorities	e-Commerce opportunity	Existing e-Commerce initiatives	Size of gap		
			Large	Medium	Small
<ul style="list-style-type: none"> • Preservation of tourist sites 	<ul style="list-style-type: none"> • Opportunity to develop a Destination Management System (DMS) to keep track on preservation and supervision efforts 		✓		
<ul style="list-style-type: none"> • Develop niche tourist markets 	<ul style="list-style-type: none"> • Opportunity to develop Event manager and ticket master to promote and ease the management of events 		✓		
<ul style="list-style-type: none"> • Improve on quality of service 	<ul style="list-style-type: none"> • Opportunity to develop E-courseware and CBT (Computer Based Training) programme to be incorporated in current Tourism Human Resource Development programme 		✓		

<ul style="list-style-type: none"> • Increase number of tourist arrivals through marketing and promotion 	<ul style="list-style-type: none"> • Opportunity to enhance the current One-Stop information Portal (www.tourismiran.ir) 	<ul style="list-style-type: none"> • One-Stop information Portal (www.tourismiran.ir) 		✓	
	<ul style="list-style-type: none"> • Opportunity to encourage the development of “Infomediaries” 	<ul style="list-style-type: none"> • Interactive Booking and flight time-table • Home grown Global Distribution System and Hotel Reservation System (HRS) • On-line ticketing 		✓	
<ul style="list-style-type: none"> • Develop Iranian tourism brand 	<ul style="list-style-type: none"> • Opportunity to enhance the current One-Stop information Portal (www.tourismiran.ir) 	<ul style="list-style-type: none"> • One-Stop information Portal (www.tourismiran.ir) 		✓	
<ul style="list-style-type: none"> • Provide comprehensive information to tourists 	<ul style="list-style-type: none"> • Opportunity to enhance the current One-Stop information Portal (www.tourismiran.ir) 	<ul style="list-style-type: none"> • One-Stop information Portal (www.tourismiran.ir) 		✓	
	<ul style="list-style-type: none"> • Opportunity to develop Tourism Data Warehouse 	<ul style="list-style-type: none"> • Currently Planning on Tourism Data Warehouse 	✓		

In the tourism sector there is a large or medium size gap between e-Commerce opportunities and current initiatives. This indicates that there is significant scope to increase the usage of e-Commerce and that Iran falls short of the “To-Be” vision for e-Commerce development. Only in two areas does Iran have existing initiatives, Information Portal and development of Infomediaries and there is significant scope to develop on these two initiatives.

The analysis in Table 6 uses a number of evaluation criteria to determine the overall prioritization of the e-Commerce initiatives.

Table 6. Initiative Priorities

Sector priority	e-Commerce Initiative	Importance of sector priority			Ability of e-Commerce initiative solve sector priority			Ease of implementation			Quick realizable gains			Overall Initiative Priority		
		L	M	H	L	M	H	L	M	H	L	M	H	L	M	H
<ul style="list-style-type: none"> • Preservation of tourist sites 	<ul style="list-style-type: none"> • Development of Destination Management System (DMS) 	✓			✓			✓			✓			✓		
<ul style="list-style-type: none"> • Develop niche tourist markets 	<ul style="list-style-type: none"> • Development of Event manager and ticket master to promote and ease the management of events 	✓			✓			✓			✓			✓		
<ul style="list-style-type: none"> • Improve on quality of service 	<ul style="list-style-type: none"> • Development of E-courseware and CBT (Computer Based Training) programme to be incorporated in current Tourism Human Resource Development programme 			✓		✓			✓		✓			✓		
<ul style="list-style-type: none"> • Increase number of tourist arrivals through marketing and promotion 	<ul style="list-style-type: none"> • Enhancement of the current One-Stop information Portal (www.tourismiran.ir) 			✓		✓			✓			✓				✓
	<ul style="list-style-type: none"> • Encouraging the development of “Infomediaries” 			✓		✓		✓				✓		✓		
<ul style="list-style-type: none"> • Develop Iranian tourism brand 	<ul style="list-style-type: none"> • Enhancement of the current One-Stop information Portal (www.tourismira 			✓		✓			✓			✓				✓

<ul style="list-style-type: none"> • Provide comprehensive information to tourists 	n.ir) •Enhancement of the current One-Stop information Portal (www.tourismiran.ir)	✓	✓	✓	✓	✓
	•Development of Tourism Data Warehouse	✓	✓	✓	✓	✓

6. Conclusion

6.1 “As-Is” Conclusion

Iran’s tourism sector is not developed and certainly not realising its full market potential. With a strategic development focus, careful planning and increased resources, tourism could become a major contributor to the Iranian economy.

6.2 “To-Be” Conclusion

The “To-Be” analysis indicates that e-Commerce can make an important contribution to some of the tourist sectors priorities. Tourism is an information product at the point of purchase therefore, buyers depend on accurate, reliable and trustworthy information. The One-Stop Information Portal and the Tourism Data Warehouse can make an important contribution in improving the quality and quantity of information provided on Iran to international tourists.

However, it is also important to recognize that the tourism industry is faced by many fundamental problems where e-Commerce will be unable to make any meaningful contribution, such as, the need to improve the quality of infrastructure and encourage private sector involvement. In conclusion, e-Commerce on its own cannot address all the problems faced by the tourism sector, but it is important that Iran recognizes and embraces the areas where e-Commerce can contribute.

6.3 “Gap-Analysis” Conclusion

Based on the evaluation in Table 6 One-Stop Portal is ranked as the “best” e-Commerce initiative. It is an important initiative in that it addresses three separate sector priorities. The enhancement of the current tourism information portal would lead to the following benefits:

- Increased revenue through-out the tourism value chain;
- Higher awareness in foreign markets on Iranian tourism;
- Sustainable growth in the tourism sector leading to higher job creation;
- Emergence of a strong Iranian tourism brand name;
- Channel for alternative marketing;
- Encourage provincial regions to be more involved in promoting tourism ;
- Negate the negative image projected by the western media on Iran.

The Tourism Data Warehouse would be an important data source for the One-Stop Information Portal and other web initiatives developed by the private sector. In this way the two initiatives complement each other.

6.4 Overall Conclusion

In comparison to other industry sectors in Iran, tourism has much higher adoption rates for e-Commerce. Information and Communication Technology (ICT) has been used in the sector for many years and therefore managers and staff working in the sector are much more open to the adoption of e-Commerce. Tourism involves providing information and transacting using online networks, so players in the value chain have recognized the need to invest in e-Commerce. The value chain players will continue to invest where they see benefits and therefore these players need not be a focus for government support.

The One-Stop Information Portal and Tourism Data Warehouse can act as a further stimulus for the development of e-Commerce in the tourist sector. As the single most important source for Iranian tourism information, the initiatives can be the most important source for Iranian tourism information, the initiatives can be a magnet for international travel agents, other organizations and individuals seeking information on Iran. The government should support both initiatives, since the focus is on marketing Iran as a tourist destination; they require a relatively large investment and coordination across a number of government agencies. Together they can demonstrate how e-Commerce can contribute to solving real problems in the tourism sector.

The research results show that the present portal of tourism in Iran lacks the due functions of a DMS at different levels. Furthermore the destination management of Iran lacks the due structure and ability to integrate the destination stakeholders at different national, regional and local levels and thereupon, it is not able to integrate the stakeholders information within a management system.

However, the author believes that the ICT-enabled local cooperation can further assist DMOs to enhance their competitiveness and increase their global presence.

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<http://www.tehranmetro.com/about/reports/files/a1142Human%20Resouces.pdf>

Interviews

Name of Organization	Description
<ul style="list-style-type: none"> • ICHHTO (Iran Cultural Heritage, Handicrafts and Tourism Organization) • Tehran Metro • Amoot Travel Agency • Sama Pardaz • Mahan Airlines • Raja Trains • Mehrabad International. Airport • Homa IT • Simorgh Hotel • Flamingo Travel Agency • Irantour Travel Agency 	<ul style="list-style-type: none"> • Industry regulators and implementers of governmental standards and policies (Government) • An approximate 2.5 million passengers commute daily • Full service to all incoming & outgoing tour & travel affairs • Authorized to develop and distribute both global and hotel reservation system in Iran • Operates both domestic and international flights • Affiliated with Iran Railway Company. • Iran's main entry point which has an annual capacity to handle an approximate 8.5 million passengers • Distributor of Amadeus in Iran • A four star hotel located in Tehran • A travel agency in arrangement of tours, containing: outgoing tours, incoming tours and also entertaining the missions in both commercial and exhibition • Tour and travel agent

<ul style="list-style-type: none"> •Abbasi Hotel (Isfahan) •Esteghlal Hotel •Parsian International Hotels •United Nation Development Program (UNDP) 	<ul style="list-style-type: none"> •Five star hotel in Isfahan and one of the oldest hotels in Iran •The biggest international five star hotel in Iran, located in Tehran •Consists of twenty hotels in Iran including 2 out of 3 five star hotels in Tehran •Involved in development of Iranian tourism master plan
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Transport planning in South Africa: an analysis after 15 years of democracy

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Abstract:

South Africa was democratized in 1994. With democratization the policy and legislative framework in terms of which spatial and transport planning is planned was transformed.

This paper addresses the changes and impacts of the transformation process since 1994. The existing transport infrastructure shows signs of capacity problems and ageing characteristics that inhibits transport service delivery and economic growth. South Africa will also be hosting the Soccer World Cup in 2010 and ad hoc upgrading on certain modes of transport and related infrastructure are being implemented.

In the paper the position of transport planning in South Africa is investigated. The paper illustrates that interventions are required in order to support urban integration, rural, and economic development (including tourism) through development of sustainable transport systems and infrastructure.

Key words: transport planning; transport engineering; public transport; sustainable transport; transport infrastructure; transport plans; strategic transport planning

1 INTRODUCTION

Transport and spatial planning in South Africa prior to 1994 focused on the policy of separate development and service provision based on racial spatial segregation. Situma (2002) states that whilst there is a perception that the Government of South Africa, in 1994 inherited the

best transportation system in Africa, the realities indicate extreme disparities between the former advantaged citizen enclaves (urban) and areas predominantly occupied by historically disadvantaged citizens (rural).

With democratization in 1994 the policy and legislative framework in terms of which spatial and transport planning is planned and managed was transformed with a new framework guiding development. This framework focuses on issues of normalization, equity, equality, integration and good governance that guide the transformation of the fragmented urban and rural system and form.

However, notwithstanding 15 years of democracy the spatial system today is more fragmented than in 1994. This situation results in ineffective transport planning and a lack of modal choice for various communities.

The existing rail infrastructure, bus transport and road infrastructure clearly shows signs of capacity problems and ageing characteristics that inhibits transport service delivery and economic growth. At the same time South Africa will be hosting the Soccer World Cup in 2010 and ad hoc upgrading of certain modes of transport and related infrastructure is being implemented.

In the light of the abovementioned the development of transport planning after 15 years of democracy will be assessed whilst the readiness of transport planning to support growth and development will be reported on. Recommendations on strategic interventions to support urban integration and rural development through development of appropriate transport systems and infrastructure will be considered.

2 POLICY AND LEGISLATIVE FRAMEWORK GUIDING TRANSPORT PLANNING

2.1 National perspective

Transport planning (land transport) and spatial planning and development in South Africa within the national sphere of government is being guided through the policy and legislative framework as included in table 1.

Table 1: Core policy and legislative framework for transport planning and spatial development

Policy framework	Legislative framework
White Paper on National Transport Policy (1996)	Urban Transport Act (Act 78 of 1977)
Moving South Africa (Vision 2020) (1999)	Road Transport Act (Act 74 of 1977)
White Paper on Spatial Planning and Land Use Management (2001)	Development Facilitation Act (Act 67 of 1995)
National Spatial Development Perspective (2003)	National Road Traffic Act (Act 93 of 1996)
Rural Transport Strategy for South Africa (2003)	Constitution of the Republic of South Africa (Act 108 of 1996)
National Spatial Development Perspective 2006)	National Transport Interim Arrangements Act (Act 45 of 1998)
Housing Atlas (2005)	Cross Border Road Transport Act (Act 4 of 1998)
National Transport Master Plan 2050 (NATMAP 2050) (process of formulation)	Transport Appeal Tribunal Act (At 39 of 1998)
Accelerated and Shared Growth-South Africa (ASGISA) (2006)	Road Traffic Act (Act 29 of 1989)
Draft minimum requirements for the preparation of i transport plans (ITP) (2007)	Municipal Structures Act (Act 117 of 1998)
National Land Transport Strategic Framework (2006-2011) (2002) (Draft)	National Land Transport Transition Act (Act 22 of 2000)
	Municipal Systems Act, (Act 32 of 2000)

Source: Own construction, 2009

The National Department of Transport, in June 2000, initiated a process to formulate the National Land Transport Transition Act (Act 22 of 2000). The first step in the process was to review the present planning approaches and processes. Specific planning guidelines and requirements were prepared dealing with the following topics:

- Non-metropolitan Current Public Transport Records (CPTRs): TPR 4
- Operating Licenses Strategy (OLS): TPR 5
- Rationalization Plan: TPR 6
- Public Transport Plan (PTP): TPR 7
- Provincial Land Transport Framework (PLTF): TPR 8
- Public Participation: TPR 9

A further draft document containing guidelines and requirements for the preparation of Integrated Transport Plans (ITPs) were produced by the Department of Transport in 2007 (Department of Transport, 2007). The abovementioned documents do not replace any of the existing Committee of Land Transport Officials (COLTO) guidelines for integrated transport

planning prepared during the period 1997 to 1998. These guidelines consist of the TPG-series as documented by COLTO.

Since 1994 with democratization, the two policy documents that are of significance included the White Paper on National Transport Policy (1996) and the Moving South Africa (Vision 2020) (MSA) (1999) as published by the Department of Transport. These documents endeavored to address some of the transport and spatial implications and deficiencies inherited by the democratic government. The MSA included a vision for transport in 2020; foundations for a transport strategy; urban and rural passenger transport; tourists and long distance customers; special needs customers; freight transport; recommendations on integrating the strategic framework and a way forward. For the first time in the history of South Africa, the government has developed a framework which integrates all parts of transport into a common vision and plan for action.

The White Paper on National Transport Policy (1996) included a number of strategic objectives for land passenger transport. These strategic objectives consisted of certain targets to improve the transport system. The targets were based on an analysis of critical issues and problems facing land transport in South Africa at the time. Amongst the issues identified were the supply-driven nature of public transport system, neglect of customers and the inefficient implementation of public transport subsidization (Krynauw and Cameron, 2003).

The outcome of the White Paper and MSA have been incorporated into legislation (NLTTA, 2000) intended to implement the transport policies and strategies. The NLTTA (2000) includes provisions for monitoring the performance of the public transport system and measuring performance in respect of key performance indicators (KPIs).

2.2 Provincial perspective

For the purposes of this paper, it should be noted that within the provincial sphere of government further provincial policy and legislative frameworks applies. The context thereof normally consists of legislation guiding land transport planning; provincial growth and development strategies (PGDS); provincial spatial development frameworks (PSDF); provincial land transport frameworks (LTPF) and environmental policies and strategies.

2.3 Municipal perspective

Similar instruments guiding transport and spatial planning and development exist within the third sphere of government including integrated development plans (IDP); spatial development frameworks (SDF); integrated transport plans (ITP); environmental management frameworks (EMF) and strategic environmental assessments.

Figure 1 shows the framework within which transport planning, service provision and delivery takes place within municipalities. As can be deduced the core policies and legislation of all spheres of government influence and impacts on transport planning and delivery. Grey and Ncunzana (2008) give an overview of the role of municipalities in transport service delivery. They (2008) emphasize that the integrated transport plan (ITP) mission is to enhance the effective functioning of cities, towns and rural areas through integrated planning and provisioning of transport infrastructure and services. The integrated development plan (IDP) embraces the ITP as a tool for transport service delivery at district and local municipality level.

From figure 1 it is clear that transport planning interfaces with environmental management, spatial and statutory planning. At the same time communication and participation in line with the applicable policy and legislative framework fulfills a fundamental role in delivery.

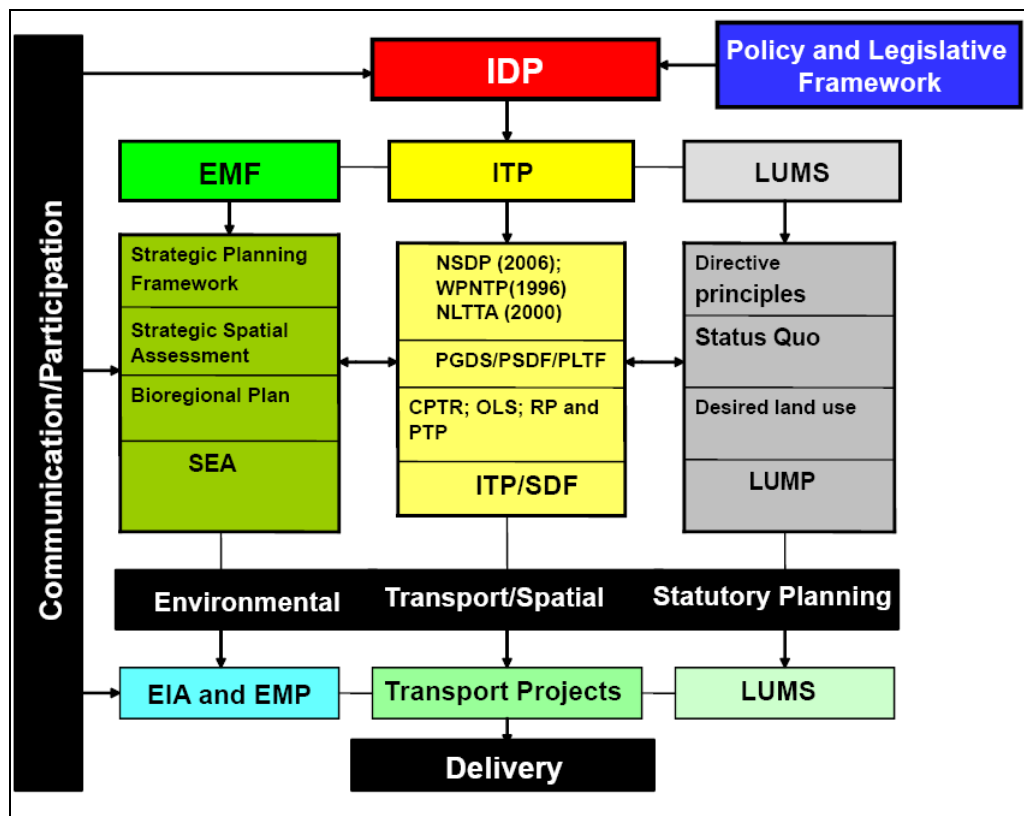


Figure 1: Integrative framework for transport planning and development within municipalities

Source: Own construction

Abbreviations: EMF: Environmental Management Framework

ITP: Integrated Transport Plan

LUMS: Land Use Management System

SEA: Strategic Environmental Assessment
 NSDP: National Spatial Development Framework
 WPNTF: White Paper on National Transport Policy
 NLTTA: National Transport Transitional Act
 PGDS: Provincial Growth and Development Strategy
 PSDF: Provincial Spatial Development Framework
 PLTF: Provincial Land Transport Framework
 CPTR: Current Passenger Transport Record
 OLS: Operating Licenses Strategy
 RP: Rationalization Plan
 PTP: Passenger Transport Plan
 SDF: Spatial Development Framework
 LUMP: Land Use Management Plan
 EIA: Environmental Impact Assessment
 EMP: Environmental Management Plan

Stapelberg (2006) discussed the role of transport planning in the quest for sustainable land use. He concluded that the aim is to have cities, communities, planning and development that can be sustainable and in the process to have effective transport systems.

3 ASSESSMENT OF TRANSPORT PLANNING PERFORMANCE SINCE 1994 FROM A DELIVERY PERSPECTIVE

3.1 Quantitative and qualitative methods of performance assessment

Transport performance can be measured in terms of quantitative or qualitative assessment methods. Krynauw et al (2003) states that the Draft National Land Transport Strategic Framework (NLSTF) (2002) identified two types of key performance indicators (KPIs):

- Customer-based indicators, which measure the performance of the land transport system from the customers point of view.
- NLTSF-based indicators which measure the progress of the National and Provincial Departments of Transport and municipalities in implementing the 13 strategies contained in the NLTSF.

The authors (Krynauw et al, 2003) discuss the linkage between performance management and decision-making and the notion of transport in support of sustainability. In the process they compare performance indicators for 2002/03 for Johannesburg in terms of the approach as contained in the draft NLTSP (2002) and the Gauteng Provincial Land Transport Framework (2002).

In 2005 Van den Berg, Krynauw and Cameron used transport performance indicators in order to benchmark the position in Tshwane against other world cities. This methodology is applicable where the research is focused on a specific geographical entity. The viewpoint is based on the conclusion by Van den Berg et al (2005) that the major gaps to be closed before Soccer World Cup 2010 relate largely to operations and management rather than to infrastructure.

The application of such methodologies is however not supportive to analyze transport planning within the national spatial system and thus performance based on the theme of this paper. Performance in this context relates more to a qualitative approach.

3.2 Transport planning projects

Transport planning and development in terms of the strategy and objectives as included in the policy and legislative framework (table 1 above) within the national spatial system took place over the past 15 years within the budgetary system of the Department of Finance. In addition to this strategic and programmed approach, the transport development needs for the World Rugby Cup (1995) and the Cricket World Cup (2003) resulted in additional ad hoc investment in transport infrastructure, management and operations to support the events. It also contributed to the development of tourism.

Of importance to this paper is the National Department of Transport (NDOT) (2008) statement that *'Long after the 2010 FIFA World Cup, our transport systems should be able to sustain our economy. The investments we are making in transport services and infrastructure should benefit the rest of the country. The 2010 World Cup is a catalyst on the country's infrastructure and social development projects that will benefit all South Africans long after the tournament is forgotten'*. Investment in transport also focuses to achieve the Millennium Development Goals (MDG) and the Accelerated Shared Growth Initiative of South Africa (ASGISA) (2006).

Table 2 gives an overview of the capital spending on transport related infrastructure, management and operations as envisaged in 2008 by NDOT.

Table 2: Investment capital in transport and related infrastructure
(2008)

Investment (R)	Project/programme	Sector and benefit
R500 billion (€40 billion)	Integrated public sector infrastructure investment programme. Promotion of Government Programmes	National, provincial and local sphere of government. Private sector contractors. Job creation for community. Tourism enhancement
R9.6 billion (€0.77 billion)	Construction of stadiums for 2010	Local municipalities and Private sector. Job creation and enhancement of skills development
R20.0 billion (€1.6 billion)	Airport development (next 5 years)	Private sector, job creation, tourism enhancement
R400 million (€32 million)	Air traffic navigation systems	Private sector and development of the aviation industry
R7.7 billion (€0.62 billion)	Taxi Recapitalization Programme	Taxi industry, passengers, tourism sector development, job creation
R70 billion (€5.6 billion)	Preservation and upgrading of road network infrastructure	Private sector, road users, passengers, community, traffic safety, job creation and skills development and tourism enhancement
R3 billion (€0.24 billion)	Access road improvement under the Extended Works Programme	Private sector, public sector, road users, traffic safety, job creation and skills development, urban and rural integration
R23 billion (€1.84 billion)	Gauteng Freeway Improvement Scheme	Private sector, public sector, road users, job creation and skills development, improvement of accessibility, traffic safety, saving on traveling time due to decrease in traffic congestion
R25 billion (€2.0 billion)	Gautrain Rail Link Project	Private sector, public sector, public transport passengers, improvement of modal choice, job creation, reduction in traveling time, improved traffic safety, tourism promotion
R18 billion (€1.44 billion)	Improvement of the passenger rail system over the next 4 years	Private sector, public sector, public transport passengers, job creation, less traveling time, job creation, improved modal choice, tourism promotion
R13.6 billion (€1.09)	Improvement of public transport infrastructure for 2010	Private sector, public sector, public transport passengers, job creation, less traveling time, job creation, improved modal choice, tourism

Total: R690.30 billion

(€55.23 billion)

Source: Own construction from NDOT, 2008)

From table 2 it is evident that some €55.23 billion will be invested in transport and related infrastructure over the next 5 years. This excludes other direct and indirect investment in transport by provinces and municipalities since 1994.

The South African Government views the Soccer World Cup 2010 as a major catalyst (table 2) in the renewal and creation of new transport related infrastructure and services. The new infrastructure will form the backbone of all socio-economic development in the period after 2010. As can be deduced from table 2 it illustrates that investment will be taking place across all transport modes with the exception of harbors and maritime infrastructure.

The transport related projects is important if the development and priority of tourism is considered. In terms of AGISA (2006) the tourism sector has already grown rapidly in South Africa but is ready for a second phase of growth that could take its contribution to GDP from about 8% to about 12%, and increase employment by up to 400 000 people. In the attaining this goal and objective the availability of an effective and efficient transport system is of core importance.

4 CONTEXT FOR TRANSPORT PLANNING AND DEVELOPMENT

Transport planning, infrastructure development and provision of services do not take place in utopian space. Too often the use of the terminology of 'sustainable' is being used in a general sense. All transport planners agree with the principles supporting sustainable development. However, the built environment within which transport, spatial planning and development operates is much more complex as it involves socio-economic and political realities directed by a trans-disciplinary team of experts and professionals. In promoting sustainable transport planning the content of table 1 and figure 1 should be noted. The biggest challenge after democratization is to integrate a historically fragmented spatial system through transport development.

The development implications of the historical spatial planning and development practices in South Africa has been well documented by various researchers including Dewar, Todes and Watson (1984), Tomlinson (1990), Swilling (1991), Mabin and Smit (1997), Planact (1997), Tillman and Wall (1997), Dewar and Todeschini (1999), Green Paper on Development and

Planning (1999), CSIR (2000) and the White Paper on Spatial Planning and Land Use Management (2001), Harrison, Huchzermeyer and Mayekiso (2003) and Schoeman (2004a and 2004b).

The framework to deal with this phenomenon of urban and rural fragmentation within the spatial system included the principles as contained in the Reconstruction and Development Plan (RDP) (1994), Growth, Employment and Redistribution Strategy (GEAR) (1996); Urban Development Framework (1997); Rural Development Framework (1997), Integrated Sustainable Rural Development Strategy (IRDS) (2000); Housing Atlas (2005) (Breaking New Ground Initiative) (BNG), National Spatial Development Perspective (NSDP) (2003 and 2006), Accelerated Shared Growth Initiative of South Africa (ASGISA) (2006); National Framework for Sustainable Development (2006).

Core legislation guiding transport planning and development within the national spatial system includes the Development Facilitation Act (DFA) (1995) and the National Environmental Management Act (NEMA) (1998). For a complete overview of all policy and development applicable to planning, transport and development refer to Berrisford (2005), NATMAP (2008) and North West Province (2008) (Draft Land Use Policy Framework) (LUPF)

Figure 2 shows the NSDP (2006) principles in analyzing the fragmented national spatial system.

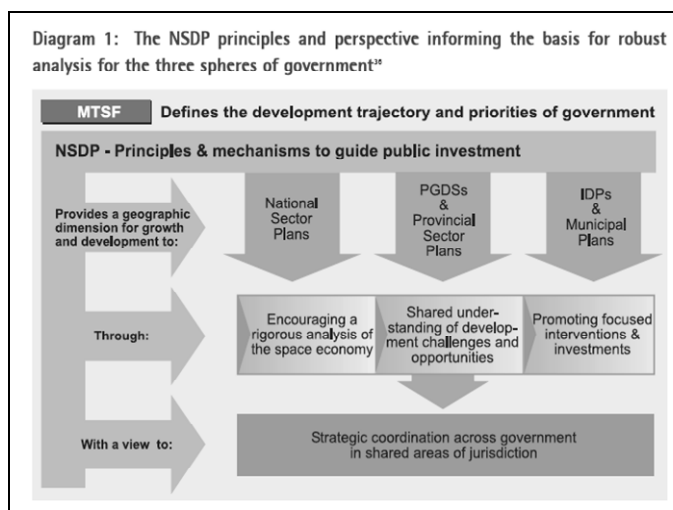


Figure 2: NSDP approach in analysis of the fragmented National spatial system

Source: NSDP, 2006

The approach to delivery within the national spatial system is based on the intergovernmental landscape as shown in figure 3. From the content the complicated nature to direct and focus

transport planning and development can be deduced. If this position is taken into consideration the lack of progress in transport development can be ascribed to both the complexities within the fragmented national spatial system and the need to optimize transport development through prioritization, resource allocation and implementation within the intergovernmental development-planning landscape.

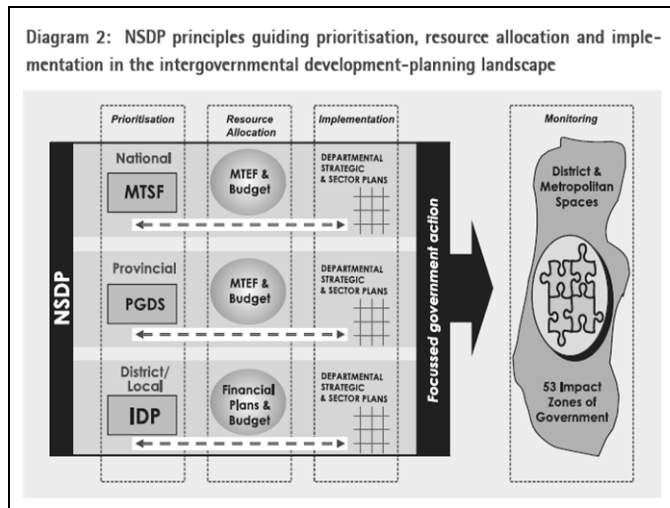


Figure 3: Project implementation within the intergovernmental landscape

Source: NSDP, 2006

The economic reality guiding transport planning is contained in figure 4.

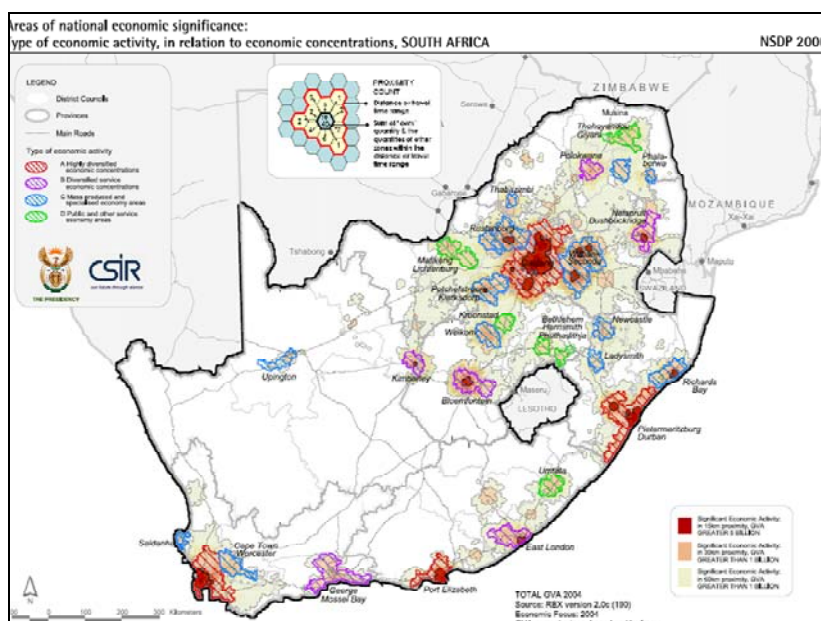


Figure 4: Areas of national economic significance.

Source: NSDP, 2006

From figure 4 the challenge to integrate the fragmented urban and rural areas within the national spatial system is illustrated. The areas of high economic significance (and potential) need to be integrated through transport systems. The urban core areas and the rural areas are served internally.

The context as described above illustrates the need to promote sustainable transport within the national spatial system. If this is to happen, the legacy of fragmentation within the various spatial systems will have to be addressed.

The challenge relating to an approach towards an integrated urban and rural form through sustainable transport planning consists of a choice between the following development scenarios or a combination thereof:

- Scenario 1: transport planning is form giving whereby land use and integration follows the development and growth within the transport system in context to the goals and objectives as contained in the policy and legislative framework.
- Scenario 2 : transport planning follows land integration strategies as formulated in the NSDF (2006)

This scenario creation is based on previous research by Schoeman (2004a and 2004b). It should be noted that a fragmented urban form is not restructured over the short to medium term (15 to 20 years). Reality thus indicates that Scenario 1 will prevail but subject to the application of sustainable transport planning and development principles. In this regard the outcome of the National Household Travel Survey (NHTS) (2003) gives perspective to the conclusion:

- More than 38 million persons live in a household without access to a private motor vehicle.
- More than 40 million people have no driver's license.
- Some 14 million learners walk to school.
- More than 13.7 million people use public transport at least once a week.
- More than 7 million workers and learners use public transport.
- Some 7 million people use a private motor vehicle.

Different explanations for the core findings in the NHTS (2003) can be given. From the perspective of this paper this disjointed position has the fragmented urban and rural form as basis. The following section will deal with the NATMAP 2050 Initiative (2006) that focuses to address the position as described above.

5 National Transport Master Plan 2050

The development of transport planning in South Africa since 1994 is illustrated above. Some of the challenges and problems in order to promote sustainable transport relates to the political, social and economic forces that founded the fragmentation within the fragmented spatial systems that still exists in 2009.

In 2005 the South African Government gave a directive to the National Department of Transport (NDOT) to prepare an integrated transport infrastructure plan. In the light of the factors as described above the NDOT proposed that a land use/multi-modal transport systems framework be prepared. It was decided to embark on the preparation on a National Transport Master Plan with the horizon-year of 2050 (NDOT, 2006). This plan for transport will guide planning, implementation, operations and management for all modes of transport within all three spheres of government.

The NDOT (2006) qualifies that the NATMAP 2050 is not a strategic document or policy paper. The focus is a physical development plan that will contain a framework for a state of the art multi-modal systems planning, including implementation, maintenance, operations, investments, and monitoring decisions are to be made. NATMAP 2050 forms an important link within the policy and legislative framework as discussed above. The NATMAP 2050 will built on the principles as contained in the Housing Atlas (2005), ASGISA (2006) and the NSDP (2006).

The biggest challenge remains the integration of the urban and rural components of the national spatial system through the development of sustainable transport system. The environment within which this should take place is plagued with deficiencies, ineffective, inherited and outdated transport systems linking an evenly disjointed and divided urban and rural reality.

It should, however, be noted that the focus of NATMAP 2050 will be limited to macro scale. Local developmental, spatial and transport planning will be through the level of IDPs and ITPs. The NATMAP 2050 project will thus not provide solutions for the spatial and transport planning problems within urban areas. Spatial deficiencies within urban areas will have to be formulated on local level. The plan should however optimize integration of connectivity through a multi-modal approach within the national spatial system.

6 Conclusions

6.1 Policy and legislative framework

The research has shown that there are comprehensive policies and strategies for sustainable transport planning within all spheres of government that developed in the period since democratization in 1994. The policies culminated in a legislation framework that resulted in strategy formulation. The policies and strategies to a certain extent were somewhat idealistic in the sense that the complexities of the inherited transport system and fragmented spatial structure was not understood by the policy formulators.

Some criticism may also be leveled against the fact that the management of transport planning and development is still being guided by an act entitled as the '*Land Transport Transition Act (22 of 2000)*'. Although transformation is a process and not an event, the legislative framework should be transformed into a single piece of legislation as to move out of its '*transition*' orientation.

6.2 Transport performance

The Soccer World Cup 2010 serves as an important catalyst to develop sustainable transport systems within the national spatial system. Most of the projects are urban orientated and will contribute little to the integration of the urban/rural interface. The value of these projects from a transport perspective lies in the fact that it introduces new way of thinking about the important role of transport in development and more specifically in tourism.

6.3 National Transport Master Plan (NATMAP) 2050

From the contents of the paper the need for an integration mechanism for transport planning and development based on performance over the first 15 years of democracy is clear. Much will depend on the quality of the output and the effective implementation thereof.

The NATMAP 2050 project will ensure that the goals and objectives of the Housing Atlas (2005) (breaking new ground principles), ASGISA (2006) and the NSDP (2006) is integrated. This will not only optimize land use and transport but will result in a transport physical development plan on a macro level that will enhance socio-economic development and a new transportation system. This will ensure integration within the national spatial system.

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Air access as a key determinant of tourism destination competitiveness: the Kwazulu-Natal example

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Abstract

South Africa's 'Tourism Global Competitiveness Study' emphasized that air access is an important component of tourism destination competitiveness. It has played a significant role in the development of South Africa and its regions as tourist destinations. KwaZulu-Natal is one of South Africa's leading tourism destinations. However, its competitiveness has been constrained by the nature of its current international airport. The length of the current runway has lead to the majority of the international scheduled operations into this airport being curtailed. The primary purpose of this paper is to demonstrate the significant impact which air access has had on the foreign market share of this province as a tourist destination. The intention will be to utilise this as a case study to demonstrate the influence which air inaccessibility has on the development of a destination and some of the strategic measures that can be put in place to deal with such a hindrance.

Keywords: destination competitiveness; air access

1. INTRODUCTION

An important determinant of the competitiveness of a tourism destination is accessibility. This paper provides an overview of the destination concept, destination competitiveness and the specific role which accessibility, and air access in particular, plays as a key determinant of destination competitiveness. KwaZulu-Natal is one of South Africa's leading tourism destinations. However, the competitiveness of this destination has been severely constrained by the nature of its current international airport. The length of the current runway (2.6km) has lead to the majority of the international scheduled operations into this airport being curtailed. One of the key objectives of this paper is to demonstrate the significant impact which decreased air access has had on the foreign market share and image of this province as a tourist destination. The intention is to utilise this as an important case study to demonstrate the influence which air inaccessibility has on the development of a destination, and some of the strategic measures that the destination management organisation for this area, together with other key stakeholders, have put in place to deal with such an important hindrance.

Tourism KwaZulu-Natal (TKZN) is a South African provincial Destination Management Organisation (DMO). The UNWTO (2007) describes destination management as being the co-ordinated management and strategic linking of a destination's elements, namely its attractions, amenities, access, marketing and pricing. This coordinated management approach can help to avoid duplication of effort with regards to promotion, visitor services, training and business support, and identify any management gaps that are not being addressed. Marketing supports the destination's 'elements' by attracting tourists and service delivery on the ground to ensure that visitor expectations are met. The foundation for these activities is the need to ensure a suitable environment, (physical, social and economic) in which to develop tourism. DMOs should ideally lead and co-ordinate these different aspects of the destination.

According to the KwaZulu-Natal Tourism Act of 1996 and as amended in 2002, the

KwaZulu-Natal Tourism Authority, which operates under the name of Tourism KwaZulu-Natal, has a mandate to promote and develop the tourism product of the South African province of KwaZulu-Natal (KwaZulu-Natal Provincial Government, 2006). KwaZulu-Natal's government provides this parastatal organisation with an annual budget to enable it to fulfil this function. The organisation's vision is, "To position the Province of KwaZulu-Natal as Africa's leading tourism destination, nationally and internationally" (TKZN, 2006). Its mission is, "To initiate, facilitate, co-ordinate and implement:

- Strategic tourism marketing, and
- Demand-driven tourism development programmes

Which grow tourism, thereby serving to achieve:

- The transformation of the tourism sector within the Province; and
- Economic benefits (for) all stakeholders and the Province" (Tourism KwaZulu-Natal 2006).

TKZN was recently accredited by the UNWTO as an SBest DMO. This organisation was the 6th DMO in the world to acquire this status. It was also awarded the prestigious 2007 UNWTO Ulysess Award for Innovation in Tourism Governance in the realm of Knowledge Management.

KwaZulu-Natal (KZN) is a tourism destination, which is also fondly referred to and branded as the 'Zulu Kingdom'. It is renowned for its:

- Natural attractions – the uKhahlamba Drakensberg Park and iSimangaliso Wetland Park World Heritage Sites, and game reserves like Hluhluwe-Imfolozi where the white rhino was saved from extinction
- Pre-history and history - The Drakensberg Mountains, for example, are renowned for its evidence of the early San people or Bushmen, and this was one of the reasons why it was declared a World Heritage Site.
- Rich Cultural Mix – which ranges from the cultures of the second biggest Indian population outside mainland India to the famous Zulu people.
- 'Beach Culture' - a range of Blue Flag beaches, internationally recognised surf spots and shark diving reefs, and one of the most important events on the international professional surfing calendar – Durban Beach Africa.

KZN attracts approximately 13.9 million domestic tourists and some 1.4 million foreign tourists per annum. The total economic impact of these tourists spend is in the order of R20bn or just under €2bn. This contributes approximately 10% to the GDP of this province and employs about 140,000 individuals on an annual basis (TKZN 2008).

2. THE DESTINATION CONCEPT

Ritchie and Crouch (2000) stress that the fundamental tourism product is the destination or destination experience. Tourism competition therefore is centred on the destination. Kozak and Rimmington (1999) similarly stress that tourist destinations are central elements of the tourism system. There are thus a range of definitions that attempt to define the components of this experience. Hall (2000), Murphy et al (1999) and Davidson and Maitland (1997) define a destination as an amalgam of tourism products and services that provide an integrated experience to consumers. Furthermore, they regard destinations as being well

defined geographical areas such as a country, a town, an island or a region. Buhalis (2000) stresses that destinations are also a perceptual concept, which can be treated subjectively by consumers depending on their cultural background, purpose of visit, educational background, past experience and their travel itinerary. He stresses that branding is thus a critical element of a destination and indicates that a destination is an amalgam of tourism products and services which are consumed under a brand name. A tourism destination can be regarded as a combination of all experiences, services and products in a particular area. He furthermore indicates that destinations can be classified in several categories in terms of their principal attractiveness. For example, there are urban, seaside and rural tourism destinations. Butler (2006), states that a destination or 'tourism area' has a definite lifecycle and that the life span of a destination can be extended through good destination management practice and competitive strategies.

3. THE ORIGINS AND DEFINITIONS OF THE CONCEPT OF DESTINATION COMPETITIVENESS

The increasingly competitive nature of tourism destinations, and Porter's seminal work on competitive strategy, inspired tourism researchers to consider the concept of destination competitiveness seriously. This was further reinforced by Poon's (1993) groundbreaking thesis 'Tourism Technology and Competitive Strategy'. Porter (1985; 1996) stressed that competitive strategy is the search for a favourable competitive or distinctly different position in an industry or market. It is aimed at establishing a profitable and competitive position against the forces (factors or bases) that determine industry competition. In order to do so, enterprises need constantly to be monitoring their environment in terms of the bargaining power of suppliers and consumers; the threat of new providers; threat of substitutes and rivalry between firms (Porter 1979). The UNWTO (2007) refers to this process as a situational analysis to determine competitive position and indicate that the most common method to do so is through a SWOT analysis. This distinguished position is also known as competitive advantage, or as Evans et al (2003) state, is the ability to outperform competitors – an ability which can be measured in terms of superior profitability, market share or other similar performance measures. In the case of nations, Porter (1990) is of the view that competitiveness is influenced by four factors, namely:

- Factor conditions – physical, human, capital, infrastructure and knowledge resources;
- Market structure, organisation and strategies;
- Demand conditions;
- Related and supporting industries.

In addition, he indicated that government and chance events can influence any of these four factors.

Poon (1993) stressed that tourism destinations and enterprises need to be more strategic in their orientation. They should strive to be permanently innovative to adapt to the constant change that is occurring in tourism and which is far more dynamic than is the case with manufactured goods and many services. She is of the view that 'New Tourists' are

fundamentally different from the 'old'. They are more 'green', flexible, independent, more quality conscious and demanding. New tourism is flexible, segmented, customised to tourism needs and diagonally integrated. By contrast, old tourism was rigidly packaged and standardised. Competitive strategies which put the customer first, apply the principals of service quality and are radically innovative are thus critical for the sustainability of destinations.

Some of the most notable and earliest examples of tourism research regarding the concept of destination competitiveness were Go's (1994) application of Porter's model to the Hong Kong hotel industry; Pearce's (1997) application of competitive theory to Sarawak, Borneo; Smeral's (1998) study of the impact of globalisation on tourism SMEs, Faulkner et.al.'s (1999) competitive analysis of South Australia's core attractions; Kozak and Rimmingtons (1999) work on developing consumer competitive sets to evaluate the competitiveness of Mediterranean destinations, D' Hauteserre's (2000) case study of the destination's competitive lessons that can be gleaned from Foxwoods Casino Resort, Dwyer et al's. (2000) study of destination price competitiveness and Mihalic's (2000) paper regarding the significance of environment management as a destination management competitiveness factor. This in turn led to the publication of Hassan's (2000) and Ritchie and Crouch's (1999; 2000) initial destination competitiveness models. Heath's (2003) competitive destination model and constructive criticism of Ritchie and Crouch's initial model and Dwyer's (2000) unpublished model of destination competitiveness, encouraged Dwyer (2003) to refine and publish his 'Integrated Model of Destination Competitiveness. Furthermore, Ritchie and Crouch (2003), through constant introspection, continued to increase the comprehensive nature of their model.

Dwyer (2003) has indicated that his model, requires further refining. He is of the view that more research needs to be undertaken regarding the relative importance of the different dimensions and attributes of destination competitiveness. There is also a need to explore the different indicators relevant to the different contexts or levels in which the model can be applied. Ritchie and Crouch (2003) have similarly stated that their model is a conceptual one and more research is required to build this model. These sentiments encouraged researchers in the mid 2000s to apply these models. Good examples of this work have been Enright and Newton's (2004; 2005) attempts to apply empirically Ritchie and Crouch's model to Hong Kong and other key Asian destinations; Jones and Haven Tang's (2005) work on Tourism SMEs, Service Quality and Destination Competitiveness; Gomelezelj and Mihalic's (2007) application of destination competitiveness models to Slovenia and Wilde's (2008) attempts to link destination competitiveness to the destination life cycle model and the concept of destination development.

The concept of destination competitiveness is very broad, but there have been a number of important attempts to clearly define it. D' Hauteserre (2000) defined it as, the ability of a destination to maintain its market position and share and/or to improve upon them through time. Hassan (2000) stresses the significance of sustainability in her definition of destination competitiveness. She defines this concept as being a destination's ability to

create and integrate value-added products that sustain its resources while maintaining market position relative to competitors. Buhalis (2000) indicated that destination competitiveness is the effort and achievement of long term profitability, above the average of the tourism industry within which it operates, as well as above alternative investment opportunities in other industries. This definition includes the concept of opportunity cost and illustrates that successful tourism destinations should not only compete within their particular industry, but also against other investment opportunities. This definition also includes the sustainability of local resources for ensuring the maintenance of long-term success as well as the achievement of equitable returns-on-resources utilised to satisfy all stakeholders. Dwyer et al (2000) state that destination competitiveness is a general concept that encompasses price differentials coupled with exchange rate movements, productivity levels of various components of the tourist industry and qualitative factors affecting the attractiveness or otherwise of a destination.

Heath (2003) provides a practical synopsis of the definitions of destination competitiveness that had been developed up until the end of 2002. He states that it is the ability of a destination to deliver goods and services that perform better than other destinations on those aspects of the tourism experience considered to be important by tourists. A large number of variables are linked to the notion of destination "competitiveness". These include objectively measured variables such as visitor numbers and market share and subjectively measured variables such as "richness of culture and heritage", "quality of the tourism experience". He goes on to support Ritchie and Crouch's (2000) statement that "competitiveness is illusory without sustainability". He stresses that to be competitive, a destination's development of tourism must be sustainable, not just economically and not just ecologically, but socially, culturally and politically as well. The most competitive destination is the one that most effectively creates sustainable wellbeing for its residents. Ritchie and Crouch (2003) indicate that destination competitiveness is the ability of a destination to increase tourism expenditure, to attract increasing numbers of visitors while providing them with satisfying memorable experiences, and to do so in a profitable way, while enhancing the well-being of destination residents and preserving the natural capital of such an area for future generations. They stress that destination competitiveness is a multi-dimensional concept and is derived from the political, economic, environmental, social and technological wealth of a destination. It is also determined by tourism specific factors as well as a range of broader macro environmental factors. Enright and Newton (2005) and Wilde (2008) caution that the factors that determine destination competitiveness can vary by type of destination and the life cycle stage of a destination. There is thus a need for a tailored approach in developing a competitiveness strategy for a destination.

4. DESTINATION COMPETITIVENESS MODELS

Ritchie and Crouch's model of destination competitiveness is the most comprehensive account of destination competitiveness (2003). This model indicates that there are five key determinants of destination competitiveness namely:

- Qualifying and amplifying determinants – location, safety and security, cost and value,

interdependencies and carrying capacity;

- Destination policy, planning and development – system definition, philosophy and values, vision, positioning and branding, development, monitoring and evaluation and audit;
- Destination management – organisation, marketing, quality of service experience, information and research, human resource development, finance and venture capital, visitor management, resource stewardship and crises management;
- Core resources and attractions – physiography and climate, culture and history, mix of activities, special events, entertainment, superstructure, market ties;
- Supporting factors and resources – infrastructure, accessibility, facilitating resources, hospitality, enterprise and political will.

In addition, this model stresses the significant impact which the macro environment and micro environment has on the competitiveness on a destination. The macro environment is made up of economic, political, technological, demographic, socio-cultural, geographical, climate, environmental forces. They regard suppliers, hospitality and tourism enterprises, intermediaries, customers and related and supporting enterprises, destination management organisations, publics, competitor destinations as being the core elements of the micro environment. They also stress the significance of the concepts of comparative and competitive advantage. They refer to comparative advantage as being the resource endowment in terms of human resources, physical resources, capital resources, infrastructure and tourism, superstructure, historical and cultural resources and size of economy that differentiates it from others. Competitive advantage is the manner in which these resources are used through audit, maintaining a destination inventory, maintenance, growth and development programmes and through the efficient and effective use of a destination resources to distinguish a destination from others. Ritchie and Crouch (2003) emphasize that competitiveness does not guarantee destination performance or success. Destination success requires a well formulated competitiveness strategy which is effectively implemented. Other useful destination competitiveness models are the models of Dwyer et al (2003), Hassan (2000) and Heath (2003).

5. ACCESSIBILITY AS A DETERMINANT OF DESTINATION COMPETITIVENESS

Poon (1993); McKercher (1998); Hassan (2000); Heath (2003); Dwyer (2003) and Ritchie and Crouch (2003) all emphasize that accessibility can be an important determinant of destination competitiveness. Poon (1993) states that reliable air access is critical for the success or development of a destination. DMOs thus need to facilitate adequate air access to their destination. McKercher (1998) indicates that market access is measured in terms of lower travel time, effort or financial costs. Market access should make a destination more attractive to consumers, but this is not necessarily the case. McKercher is of the view that access tends to influence the type of visitor who visits a destination. Destinations that have

good market access tend to attract more foreign and short stay tourists, whereas destinations with poor access can be successful in attracting longer stay and repeat tourists. Destinations can be innovative in dealing with the challenge of market access by identifying substitute markets that are not seriously influenced by it. Hassan (2000) regards factors such as airports, airlines and public transport, which are the basis of the accessibility of a destination, as being important elements of what she refers to as 'tourism industry structure'. Hassan regards 'industry structure' as being one of four elements that determine the market competitiveness of a destination. Heath (2003) describes tourism related infrastructure such as airports as being the foundation that 'enables' the effective development of a destination.

Dwyer (2003) stresses that there is a definite relationship between market access and destination success. He furthermore indicates that ease of access can be improved by developing a close relationship with the tourism distribution channel and inter-modal linkages amongst the various forms of transport systems. Ritchie and Crouch (2003) state that accessibility is a critical support factor for a destination. In addition, they make the important point that accessibility is not only about ensuring ease of access to a destination, but within a destination as well.

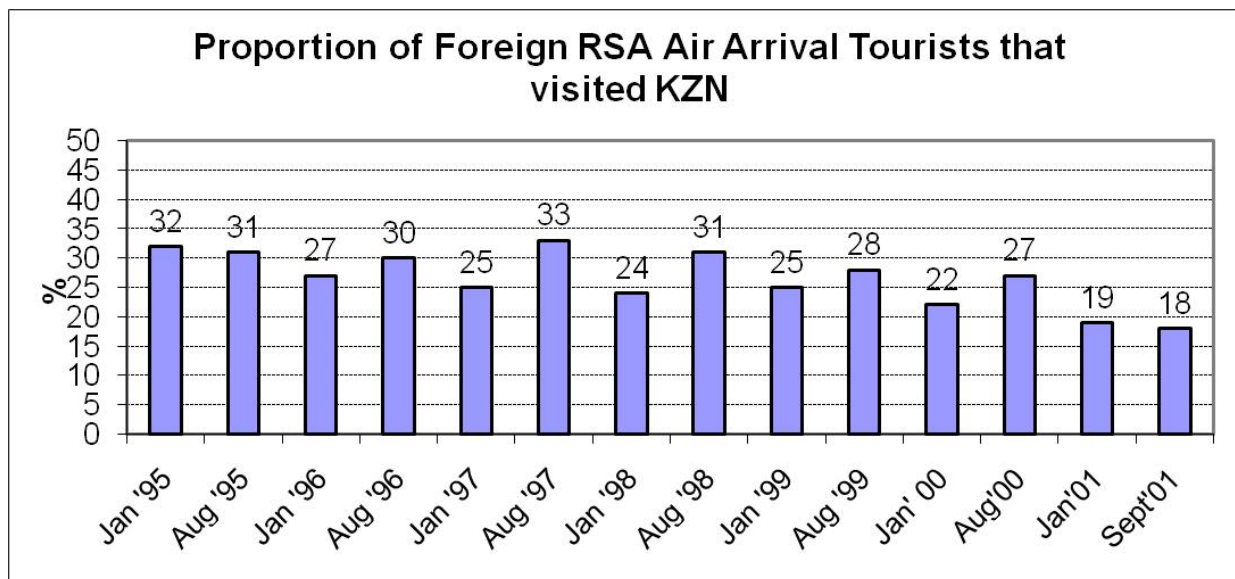
6. THE COMPETITIVENESS OF SOUTH AFRICA AS A DESTINATION

The South African national Department of Environmental Affairs and Tourism (DEAT) and South African Tourism (SAT) commissioned a study in 2003 to ascertain how competitively placed the South African tourism industry was both from an internal and an external perspective. The South African tourism industry was experiencing a foreign tourism boom and it was felt that there was a need to identify the critical enablers and barriers to tourism development in South Africa so as to sustain these levels of tourism growth. Monitor, a marketing intelligence agency founded and part owned by Michael Porter, was appointed to conduct this study. This study identified the following factors as being critical for the future development of the South African tourism sector:

- Public transport;
- Air access – this study highlighted the fact that air tickets prices from South Africa's key long haul destinations are relatively more expensive than its core competitors. In addition, certain of the routes from its key markets are constrained and in certain instances particularly limited.
- Safety and security;
- Information Infrastructure;
- Skills development and training;
- Product development and investment, particularly providing SMMEs with access to financing and the tourism distribution channel;
- Industry alignment and access to strategic information to aid investment decisions (SAT, 2004).

7. THE IMPACT OF AIR ACCESS ON TOURISM FLOW TO KWAZULU-NATAL AND THE STRATEGIC INTERVENTIONS THAT WERE ADOPTED TO DEAL WITH THIS PHENOMENON

KZN experienced a significant decline in its share of the South African foreign air arrival tourism market over the period 1998 to 2001. It was first noted in 1998 when South African Airways (SAA) and British Airways (BA) made a decision to curtail their foreign tag operations from Durban International Airport (DIA). These were the two most important foreign scheduled airlines that serviced KZN as a destination. However, there were a series of other five less frequent operations such as the services of Air India and Air Zimbabwe that were stopped over the period 1996 – 1998 and this added to this decline.



(TKZN 2002)

The primary reasons for these operations being curtailed was the fact that the Durban International Airport runway was not long enough (2.6km) to enable airlines to take off with a 'non stop' fuel load for long haul destination routes such as the United Kingdom or India and due to a low level of business class seat demand from this airport. Furthermore, SAA and BA had made a decision primarily to hub their African operations into Johannesburg's Oliver Tambo International Airport. A decision was thus made by TKZN to formulate an aviation strategy to deal with this problem. A special committee was established to formulate and mobilise this strategy. This body appointed an appropriate consulting firm to:

- Undertake a situational analysis of the status quo of the aviation industry;
- Review current aviation policies and strategies; and
- Develop a focused aviation strategy for KZN.

Some of the core findings of the situational analysis were:

- The airline industry is currently dealing with tough market conditions. It is a highly competitive industry with low levels of profit.
- Long haul charters are the exception rather than rule. These need to be actively promoted in order to flourish.
- Due to the nature of aircraft used by charter operators, 'stopovers' are necessary on

long haul routes. This could be regarded as an important opportunity for KZN to forge partnerships with charter operators that fly into destinations such as Mombassa (Kenya).

- The African route is a particularly low profit one.
- South African hub policy is supported by major carriers.
- Durban is not seen to be a viable international 'port of call' for scheduled airlines due to the lack of business class seat demand and general tourism demand for the Durban route (TKZN, 2002).

KZN's proposed aviation strategy advocated that, in terms of International Air Services, it needed to:

- Invest in attracting package tourists - both scheduled and charter tourists.
- Work with the Airports Company of South Africa's (ACSA's) hub and spoke policy by lobbying for tags and seamless connections to DIA.

In terms of Domestic Air Services this strategy recommended that KZN:

- Defend its current share of this market.
- Pursue growth as an economy destination through package deals for off-season periods (TKZN 2002).

The specific proposed Key Aviation Specific Recommendations were:

International Scheduled Airlines

- Block booking of seats to obtain discounted rates for packages.
- Seamless connection negotiations.
- Negotiating for international tag services.
- Keeping contact with relevant airlines to understand requirements to operate direct flights to DIA.

Domestic Scheduled and Charter Airlines:

- Negotiating for discounted rates for non-peak flights for packages.
- Negotiating for more low cost airline flights such as those offered by Kulula.
- Negotiating for scheduled or charter flights for other KZN airports.

International Charters:

- Negotiating directly with charter operators to get good deals which can be offered to tour operators.
- Improving Durban International Airports infrastructure – extending current runway.
- Pursuing packages in markets with no direct scheduled flights to South Africa.
- Pursue the issue of seats-only charters.

Tourism support strategies:

The strategy also advocated the mobilisation of a series of tourism support strategies. It recommended that TKZN:

- Facilitate vacation packaging for international market
- Facilitate packaging for domestic market
- Target smaller European operators
- Continue negotiations with mega operators
- Pursue linkages with other destinations e.g. Kenya
- Establish a Vacation Packaging Assistance Fund
- Continue with its new product investigations
- Establish a Tour Operator assessment model

General Aviation Support Strategies

A number of general aviation support strategies are recommended:

- Establishing dedicated capacity e.g. an aviation unit to oversee the mobilisation of the aviation strategy;
- Establishment of an Aviation Development fund;
- Lobbying Plan;
- Intra-provincial aviation co-operation framework;
- Mobilisation of an aviation awareness programme;
- Airline co-operation mechanism (TKZN 2002).

As an initial step in mobilising this strategy the Board of TKZN and the Aviation and Charter Committee made a decision to pursue and incentivise airline charter operations, and to appoint representative agencies in the United Kingdom and Germany to stimulate general awareness of KZN as a tourism destination. At the same time, a decision was made by the provincial Department of Economic Development and Finance to establish a new international airport north of Durban in the medium to long term. These initial interventions paid 'early dividends' in the sense that TKZN was able to negotiate a series of airline charter deals. These, together with the public relations efforts of its representative agencies, grew the proportion of South Africa's foreign air arrival market that spent some time in the province from 19% in 2000 to some 25% in 2005. However, the charter deals which TKZN had initially been successful in negotiating, began to prove to be unsustainable as soon as the province began to reduce the level of incentives associated with such operations, and the technical stop cost implications associated with a short airport runway began to impact on the 'bottom line' of such operations. This, together with increasingly competitive market conditions, has once again begun to impact on the level of foreign tourism flow to KZN.

In order to adapt to this scenario the province, in partnership with the Airports Company of South Africa, has made a decision to fast track the development of a new tradeport, which includes a substantial international airport, with an initial runway of 3.7km and which will be able to accommodate the latest 'New Generation Large Aircraft' (NGLA, including the A380 Airbus) (Dube Tradeport 2009). In addition, TKZN has decided to pursue a more aggressive sales strategy, firstly to encourage foreign scheduled airline operations out of this new airport, and secondly, to identify key South African inbound operators and outbound operators in KZN's key foreign source markets that are willing to participate in focused joint marketing campaigns to sell KZN's tourism experience. The scheduled airline

campaign has included undertaking research to demonstrate the increased level of business class outbound demand from this destination and offering subsidies to offset certain of the initial expenses which airlines will experience in setting up new routes into this destination. The results of this strategy are already beginning to bear fruit in the sense that this DMO has concluded a number of recent joint marketing agreements with major tour operating groups and has encouraged at least one major airline to establish a new long haul route into Durban.

8. CONCLUSION

DMOs need to be competitive in order to maintain and grow their market position. In order to do so they constantly need to assess strategically the factors that determine destination competitiveness, the impact which these are having on a destination's performance and put innovative mechanisms or strategies into place to deal with such situations. This paper has demonstrated the impact which air access can have on the foreign market of a particular destination and how strategic measures can be put into place to deal with such a challenge.

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Sightseeing and sense of place in a virtual environment: Edward Relph's place theory, vicarious and behavioral outsidersness

Ingvar Tjostheim

Abstract

Travelers are using the Internet and new technology not only in order to book and plan a vacation, but to explore and get a taste of what it is like to be there. Multimedia and 3D graphics are typically use for the second purpose; to present the destination what it looks like and aspects that communicate some of its ambience and atmosphere. With the latest gaming technology places, for instance, it is possible to replicate an urban environment. From a theoretical point of view, and in the context of tourism, what kind of theory is relevant to capture and explain a visit to a place in VR? The present paper explores three propositions, based on a literature review. Subsequently, Relphs theory is operationalized and studied in the context of virtual sightseeing. The empirical data supports the propositions. Moreover, two new types of "outsidersness" suggested in this paper appear to capture the virtual sightseeing experience.

Keywords: VR, sense of place, place experience, sightseeing, tourism marketing

Introduction

Today, technology is playing a significant role in the shaping of travel and tourist experiences. For travelers, the Internet is playing a key role particularly in the planning stage. It is hard to find a tourism business that does not have an online presence. Moreover, on the trip and in the post-trip stage, technologies such as information kiosks, mobile phones and camera-phones are popular. The purpose of use might vary from the functional type such as finding a map and booking a ticket, to a more experiential video presentation made by an advertisement agency.

One of the most successful industries the recent years is the video and computer gaming industry. This industry is using the latest 3D and VR technology. The graphics in these games are very impressive. Sometimes it is hard to distinguish between computer graphics and videos taken from our material world because of a high level of photo-realism and attention to details. According to the magazine *Game Fun Time*, October 26th 2008; "*The videogame industry is in the midst of a booming trend towards realism in games.*" With new technology such as 3D or VR, places can be replicated. The setting and environment of a game can be a place in our material world. An example is the Playstation game *Midnight Club Los Angeles*. In this game the driving take place in the streets of Los Angeles (LA). The street names are street names from LA, the buildings are from, but it is not a model that replicates all parts of Los Angeles with every street, building and object. The two 3D applications *Google Earth* and Microsoft's *Virtual Earth* also replicates the material world. They are more comprehensive than the car games, but also in these applications there are areas that are left out due to privacy and security reasons. An example from the virtual fantasy domain is Second Life (SL). In this virtual world places or sections of places have be replicated, but for most part SL parallel world. However, there are examples in SL of place that mirroring our material world; Dublin, Barcelona and Morocco.

There are many potential research questions with regard to use of VR applications given that the Virtual Environment also exists in the material world. We are particularly interested in the following issue: What kind of place experience do users of VR applications have? In a travel and tourism context, what type of place experience describes or captures virtual sightseeing? In the paper we first review previous research on sense of place and VR. Then, based on the review of the literature, we derive three propositions, which serve to outline our research method, Data analysis and results are presented in the subsequent section. Finally, we conclude with a discussion of the results and their implications for theory and practice.

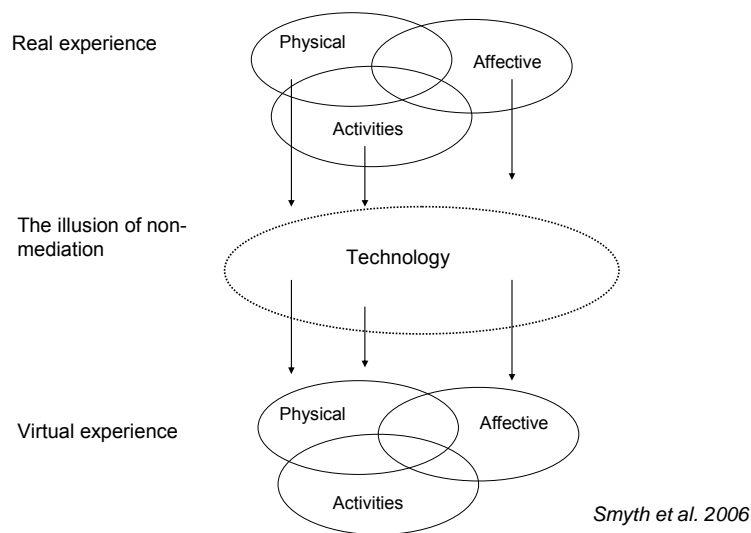
Literature review

In his inaugural editorial of *Tourism Geographies* Alan Lew noted that there has been an over-representation of geographers in tourism studies. In human geography, a field within geography is place is one of the core constructs (Kaltenborn, 1999). Tourists visit places, or destination to use the tourism terminology. The host-guest relationship is a research area that has a link to place, the meaning and how residents view the place they are living in. The bonds people living in a place has, varies. The relationship the guests, the travelers have to the place also varies.

One of the most successful attempts by a social scientist to reinterpret phenomenologically the person-environment relationship and experience of place is Edward Relph in his monograph *Place and Placelessness* (Seamon (1982). Relph's point of departure is the human experience of people living in place. He defines experience of places as '*fusions of human and natural order..., and the significant centres of our immediate experiences of the world*' (p. 141). His approach is different from Norberg-Schulz (1985), who uses natural environment as the foundation of place. Building on Edward Relph, the sociologist Gustafson (2001) proposed a three-pole model with the components self, environment and others. Recently this model has been used in the VR domain. In their study on the *VirtualPrague* Turner and Turner (2006) applied this three-pole model of Gustafson. The model has the three concepts **self**, **environment** and **others**; "*Self includes an individual's life path, emotions, self-identity, and one's own activity. Environment takes in the physical features of the place and its institutions and events. Finally "other people (others)" comprises their characteristics and behavior. Further factors such as social relations and atmosphere belong to the relationship among these dimensions*" (p206). Gustafson used the theory of Relph as a foundation for his model. Turner and Turner (2006) looked for a theoretical basis for their study of a virtual applications, applications that mirrored the material world.

Smyth et al. (2006) conceptualizes the virtual experience (see figure below). It contains the same component as propose Relph's model of place. However, in this model it is mediated by technology. The technology mediates the place experience. Even though it is impossible to reproduce the exact experience of being in a physical place, they argue that it is possible to reach an illusion of non-mediation.

Figure 1 A model of a virtual experience



Turner et al. (2006) argues that *“Relph’s discussion of ‘insideness’ and ‘outsideness’ offers a compelling insight for contextualizing the VR experience.”*

Relph distinguishes between the insider type of experience and the outsider type of experience, or in short insideness and outsideness. There are seven types in Relph’s typology. The typology is neither exhaustive nor necessarily irreconcilable. In human geography there is a stream of research focusing on types of insideness for instance existential insideness, which refers to the human experience of place that individuals living in place over an extended period of time might have. In many cases tourists are at place a very short time.

According to Kaltenborn (1999) sense of place is described in both phenomenological approaches and in positivistic behavioral accounts. He argues that there is no clear consensus on what the concept of sense of place should contain or how it should be constructed and measured scientifically. Some geography are not interested in operationalizing the concept; they belong to a tradition that describe and discuss a

phenomenon in writings for instance a book. However, in tourism there is one stream of research that has focus on measurements on place attachment in outdoor environment and recreational travel, see Kyle (Williams et al, 1992, Williams & Vaske, 2003 Kyle & Chick, 2007). The emphasis is on the bonds or attachment the person has to the place. When people visit the same park or place again and again or a person has a second home researchers have used this place attachment approach (theory) to capture the place experience. Tourists that are traveling to destination one time and for a short visit can have a feeling of attachment to the place. On the other hand Relph's theory is broad, flexible and potentially relevant in a VR context. Seamon (1996, p7) argues that:

(reader' of Relph's monograph should realize) extraordinary coverage and flexibility of Relph's conceptual structure. Especially through his continuum of insideness and outsideness, he provides a language that allows us to articulate the particular experience of a particular person or group in relation to the particular place in which they find themselves.

Relph's sense of place theory, as most place theories has primarily been used to study residents and not visitors such as tourists.

The articles by Turner & Turner (2006) and Smyth et al. (2006) are both from the EU-project with the acronym *BeNoGo* or "Being there, No need to Go." A virtual model of Prague and botanical gardens in Edinburgh and Prague were used to study how users experienced a virtual environment. Based on focus group interviews, observations and tests, the authors draw attention to Relph and his theory on sense of place. The thrust of the *BeNoGo* project was "*to be there (in a virtual environment) no need to go; that is, to provide people with a realistic sense of being somewhere else*" (Benyon et al. 2006, p.669). This was one of the reasons why a place from the material world was used. The researchers point to the fact the not all senses are used in VR, but still based on their studies the authors reported that participants had a feeling of "being there."

The phrase "no need to go" give an association to tourism. Tourists are going to destinations, to places for many reasons among others to see the place and what's there. Sightseeing is about visiting and seeing place, sights and objects. It is common tourism activity with very long historic routes. It has been studied in tourism (Tower, 1985, Adler, 1989, Dunn-Ross & Iso-Ahola, 1991, Tucker 2005) Since the late 1990s, researchers started to use terms such as "virtual sightseeing", "virtual visits" (Dewailly, 1999). The last years the computer gaming industry have been very successful and these technology have also been used to create or replicate place (Losh, 2006). In order to explain what happens when a user is immersed into a virtual environment, and in order to measure this phenomenon, the concept of telepresence is often used. It was Patrick Gunkel at Hudson Institute that coined the term "telepresence" in 1979. Then Marvin Minsky (1980) used the term in the *Omni* article to refer to teleoperations technology that provides the user with a "remote presence" in a different location via feedback systems that allow her to "see and feel what is happening" there. According to Lombard & Ditton (1997) (tele)presence is the perceptual illusion of non-mediation. In other words, the person gets the feeling of being there and forgets that this happens through a medium, see figure 1. '*Being there*' could be either an imagined place, a place that cannot be visited in our material world, or an existing place in the material world. *Second life* (SL) is sometimes described as a parallel universe.

In SL there are many fantasy places, but also places from the material world are replicated in SL.

In his article about empirical measurements of sense of place Shamai (1991) discusses Relph's theory and his distinction between seven different degrees of 'outsideness' and 'insideness' in ways of sensing a place. *"Each different way of sensing the place can be seen as a different level on an ordinal scale; that is, starting with the lowest level of sense of place and 'climbing' up six more steps to reach the most intense and deepest way of sensing a place".*(p349) In geography many studies target residents and whether or not residents living in a place have a relationship to the place characterized as a type of insideness, sense of belonging. However, tourists are visitors to a place and residents. It is possible that sense of belonging is appropriate and corresponds to how visitors experience the place they visit. However, to include the outsideness types of sense of place because the target group is tourists and not residents seems to be appropriate. Some authors have commented that Relph himself saw tourism as an inauthentic attitude to place (Turner & Turner, 2003)

There are several types of insideness and outsideness and it is hypothesized that one of these types, vicarious insideness, should fit well in the context of VR (Smith, 2003). In research on VR it is the term telepresence that is most commonly used. The term "vicarious" captures some of the same aspects but unlike telepresence, it is not a concept that has many measurements. The concept vicarious has been used in ecommerce (Smith et al. 2005) and in tourism geography (Connell & Gibson, 2004)

The concept of *insideness* refers to a stronger attachment or relationship to a place and outsideness to a lesser degree of attachment and identification with the place. For tourists, we have argued that the type of experience that corresponds to *outsideness* might be more appropriate. Based on this review of the literature the following propositions are suggested.

Proposition 1: In the insideness-outsideness continuum, the VR sightseeing experience is to a high degree captured by the outsideness types of sense of place

In the writings of Relph the focus is on the residents and to a lesser degree on visitors to place such as tourist. In addition to Relph's original seven types of place experience we suggest two new types "vicarious outsideness" and "behavioral outsideness."

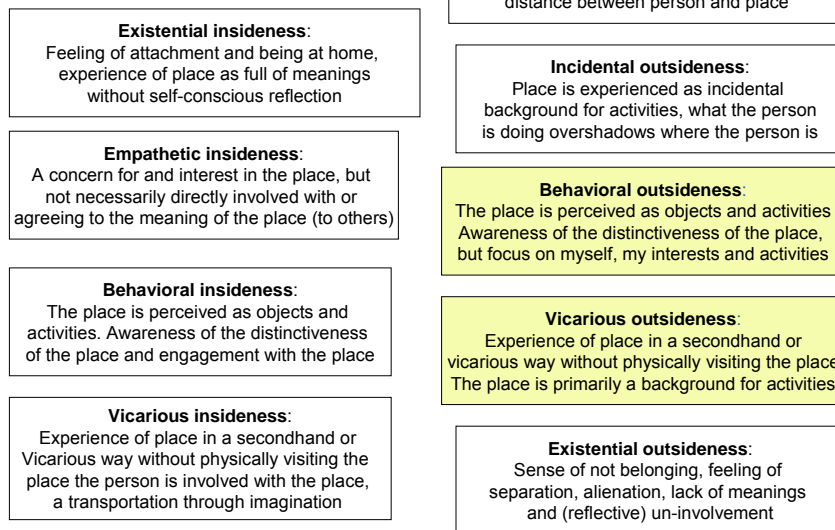
Proposition 2: The VR sightseeing experience is associated with vicarious outsideness

Proposition 3: The VR sightseeing experience is associated with behavioral outsideness

Figure 2 presents Relph's seven types and the two new types.

Figure 2 Relph's seven types and the two new types

Relph's Place Theory with extention (in colour)



Research method

In this study an Xbox driving game, the PGR4, was used to create a sightseeing experience of Las Vegas. Based on the game, two seven minutes videos were made. In the Xbox game there is a choice between the driving-mode in 3D or the photo-mode (2D). The photo mode is similar to a slide show. Hence, two seven minutes versions of the same sightseeing were constructed, a photo-mode and a 3D version. By using two versions the effect of 3D vs. 2D can be measured by a telepresence-instrument. The participants were given a virtual sightseeing task. In the instruction the following sentence was used; *Please assume you are sitting in a sightseeing-bus in Las Vegas watching the buildings and listening to the tour-guide while watching the screen....*

The targeted group was young individuals and students from two universities, one in the US and one in the Netherlands were recruited as test-participants. All in all 69 students participated; forty-seven undergraduate students from a University in Philadelphia, USA and 22 students at a hotel school in the Netherlands. The sample is a convenience sample. The purpose of the study was to explore types of insideness-outsideness and not to give estimates on size of marked-segments, market-share etc.

The participants watched the videos and answered a set of five point Likert type statements out their experience of Las Vegas. The questionnaire contained four types of Relph's place experience; existential insideness, existential outsidersness, vicarious insideness and incidental outsidersness. In addition the two new vicarious outsidersness and behavioral outsidersness were included in the questionnaire.

Table 1 Characteristics of the participants

			The US	The Netherlands
<u>Age</u>				
19-24	years	old	91% (43)	41% (9)

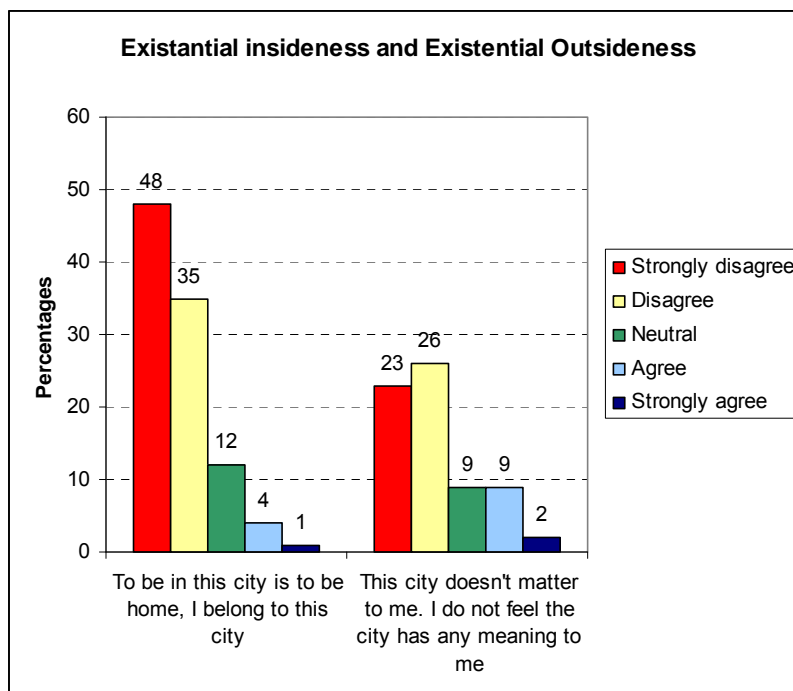
25-29 years old	4% (2)	32% (7)
30 years or older	4% (2)	27% (6)
<u>Gender</u>		
Female	66% (31)	50% (11)
Male	34% (16)	50% (11)
<u>Use of video or computer games</u>		
Weekly or daily	28% (13)	28% (6)
Monthly or less frequent	72% (34)	72% (16)
<u>Has been to Las Vegas</u>		
Yes	21% (10)	14% (3)
No	79% (37)	86% (19)
N	47	22

When comparing the US and Dutch students some differences can be observed. The Dutch students were slightly older and had as many men as women in the group. The US students were younger and had a gender ratio of 2:1, women vs. men. In both groups a low percentage had actually been to Las Vegas.

Findings

The answers related to the 6 types of sense of place are reported in the tables 2, 3 and 4. The two alternatives on each end of the *insideness-outsideness* continuum received very little support.

Table 2 Existential Insideness and Outsideness

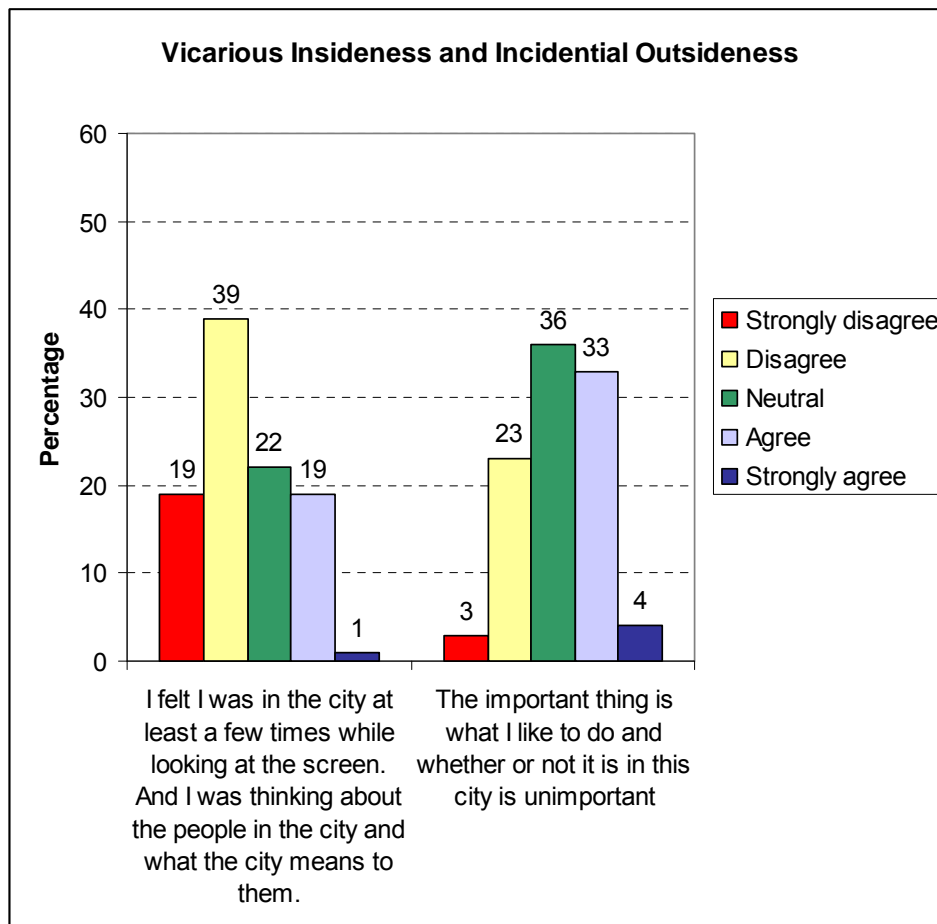


The next two types (see table 3); vicarious insideness and incidental outsideness received some support based on the empirical data. Vicarious insideness has the transportation component "being there" (by the technology) but it also contains a meaning component; the city has a high degree of meaning to the viewer, the viewer identifies himself with the city. But visitors to Las Vegas do not necessarily care about the city and its residents. Las

Vegas is known for gambling and tourism activities such as shows, dining and shopping. It is a relatively new city, a city that has had (and has) a substantial growth rate with many new residents. These factors should be included in the discussion of the relative low vicarious insideness score in this study.

Incidental outsidership has an emphasis on the self, the visitor and not the physical environment of the place. In this study approximately one out of three agreed that this type of place experience was induced by the virtual sightseeing.

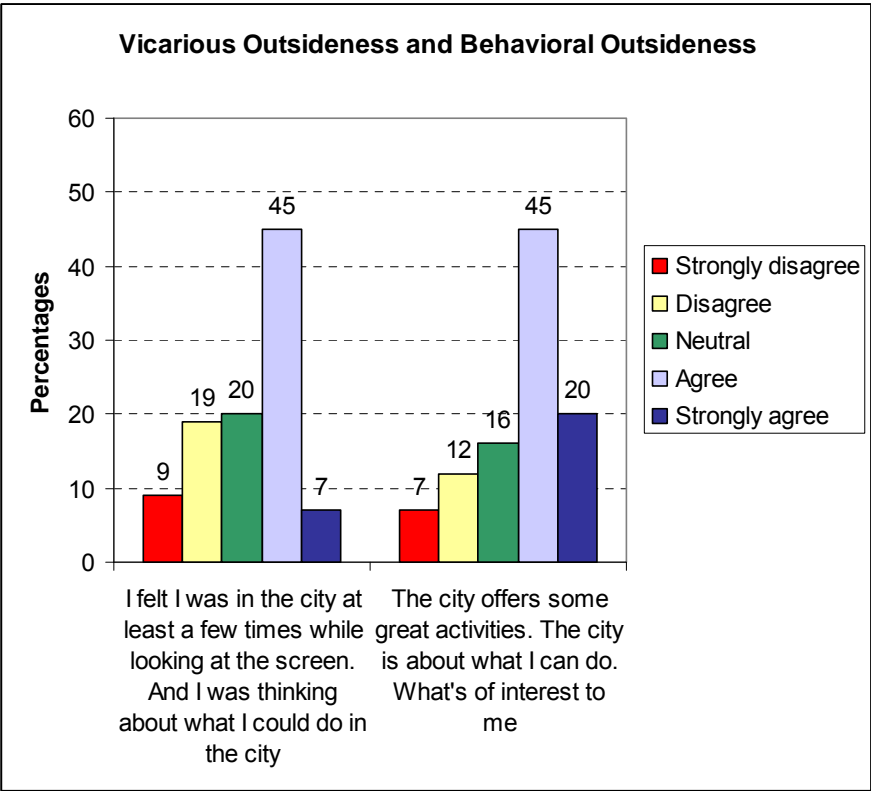
Table 3 Vicarious Insideness and Incidental Outsideness



In human geography and studies on place, many authors have studied the insideness aspect, place attachment and bonds. The outsidership aspect has received less attention. The last two types (table 4) are both outsidership types of place experience. Vicarious outsidership has two elements; the transportation (being there) and the self. The self component is about the person and what s/he likes to do. Behavioral outsidership also has emphasis on the self, but the being there due to the virtual sightseeing is not a salient

aspect. Table 4 shows that both types seem to capture the virtual sightseeing experience. In particular behavioral outsidersness seems to be an appropriate way of describing the place experience.

Table 4 Vicarious Outsideness and Behavioral Outsideness



The next table, table 5 presents the six types next to each other. The numbers in table 5 are from table 2, 3 and 4, but by only agree and *strongly agree* are including in the table. The new two types Vicarious Outsideness and Behavioral Outsideness seems to be associated to the place experience induced by the virtual sightseeing.

Table 5 A comparison of 6 six types of place experience



The findings indicate that the VR sightseeing experience of Las Vegas could be characterized as objective outsidership. But in some instances also vicarious outsidership seems to be an appropriate description. Finally, the findings suggest (confirm), that there is a need to distinguish between “vicarious outsidership” and “vicarious insideness.”

Discussion

In his paper “Spirit of Place and Sense of Place in Virtual Realities (2007) Edward Relph comments in the introduction on the place and VR relationship, as follows: *“I have written about the concept ‘place’ from a phenomenological perspective for many years....., but I have limited knowledge of digital virtual reality (our emphasis)... Nevertheless, it*

seems to me that mutual interaction is at work between what might be called 'real' place and virtual places." Accordingly, his view reflects the notion that virtual places cannot be authentic, but "*Virtual places can be more or less accurate reproductions of real places and more or less convincing on their own terms*" (p23). In our view, this statement makes sense from Relph's phenomenological perspective, that serves as the departure point for his analysis. However, Relph's theory can be applied in a behavioral context, including tourist - and consumer behavior. In particular, our findings indicate that Relph's place theory can be applied to capture sightseeing in a virtual environment.

From the tourism industry points of view and for players in this industry, the following question arises ght be do they matter these types of place experiences? The participants in this study were asked about their intention to visit Las Vegas. The Table 6 shows the output of a linear regression analysis with intention to visit as the dependent variable and the six types of place experience as the independent variables. The regression model shows that behavioral outsidersness and existential outsidersness (negative direction) are significant predictors of intention to visit the destination in question. The variance explained was 0.48 which is not a low R-square. In a managerial context the question might be what is leading to, or may be related to, an increase in the intention to visit the destination. The present findings justify further investigation of behavioral outsidersness.

Table 6 Regression result with intention to visit the place as the dependent variable

Coefficients:	Value	Std. Error	t value	Pr(> t)	
(Intercept)	3.8375	0.9686	3.9619	0.0002	
Q18aExistential.Insideness	0.1959	0.1878	1.0431	0.3010	
Q18eVicarious.Insideness	-0.1308	0.1704	-0.7673	0.4458	
Q18dVicarious.Outsideness	0.2491	0.1618	1.5393	0.1288	
Q18bBehavioral.Outsideness	0.4074	0.1588	2.5655	0.0127	significant
Q18gIncidental.Outsideness	0.1854	0.1721	1.0768	0.2858	
Q18iExistential.Outsideness	-0.6569	0.1470	-4.4695	0.0000	significant

Residual standard error: 1.257 on 62 degrees of freedom

Multiple R-Squared: 0.4808

F-statistic: 9.569 on 6 and 62 degrees of freedom, the p-value is 1.956e-007

Conclusion

In this paper we have drawn the attention to Relph's place theory and argued that it might

be a useful theory as a foundation for studying tourism and VR. Secondly, we have made a simple operationalised Edward Relph's place theory and added two types to Relph's seven. Secondly we have used virtual sightseeing as a case for empirically exploring the relevance of Relph's place theory in the tourism domain. The findings indicate the relevancy of distinguishing between the concepts of "vicarious outsidership" and "vicarious insidership." It seems that "vicarious outsidership," a type proposed in this paper, captures the virtual sightseeing quite well. However, in comparison with another new type 'behavioral outsidership' the data provide less support to the notion of "vicarious outsidership".

For Relph "place" has more or less meaning depending on the degree to which, or not, a person feels "inside" the place. When studying residents this might be appropriate, but not so in the tourism research domain. Particularly, we have argued in this paper that the outsidership typology is highly relevant, but more research is warranted in this area. As part of our concluding remark we underscore, that the way in which the insidership and outsidership types were operationalized were quite simple. If one regards each type as a sub-construct they should have been operationalized with at least 3 items (i. e. statements). Based on this study and the literature review, we argue that further investigating into Relph's theory would be worth while. It would be particularly interesting to extend Relph's theory within the travel and tourism domain; a domain that needs to understand how to use new multimedia- and 3D technologies. Tourism marketing is not only about convincing individuals to go, also to give them a taste of what they are going to experience when they are going.

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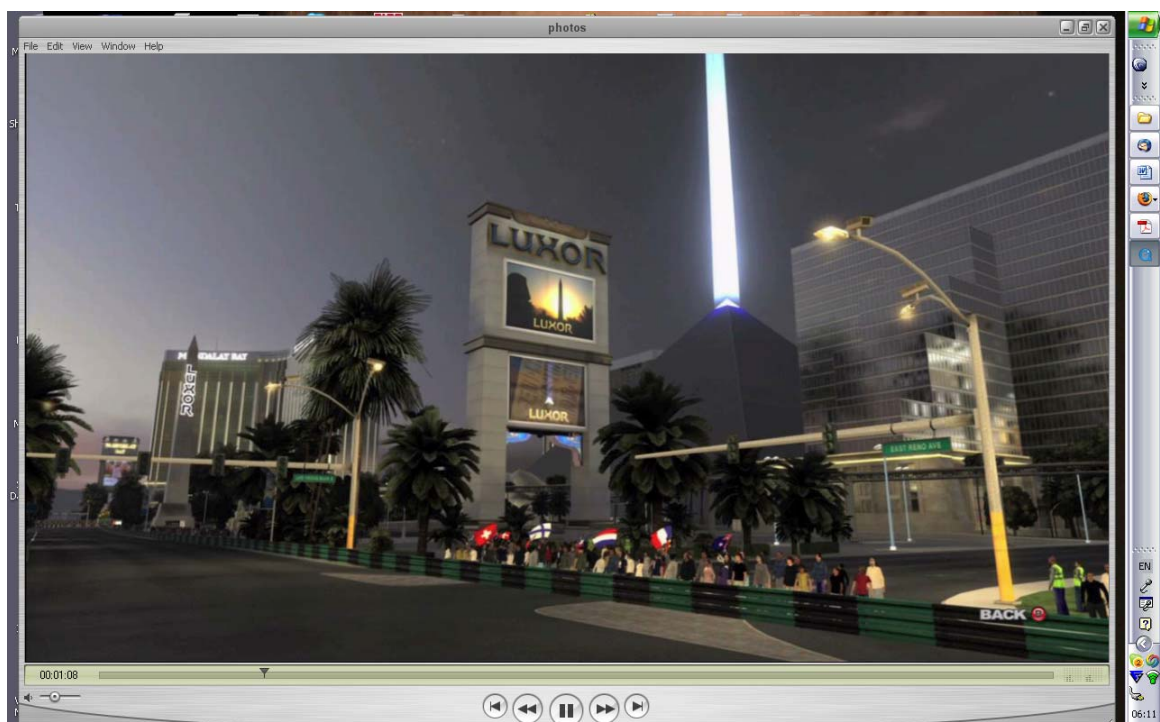
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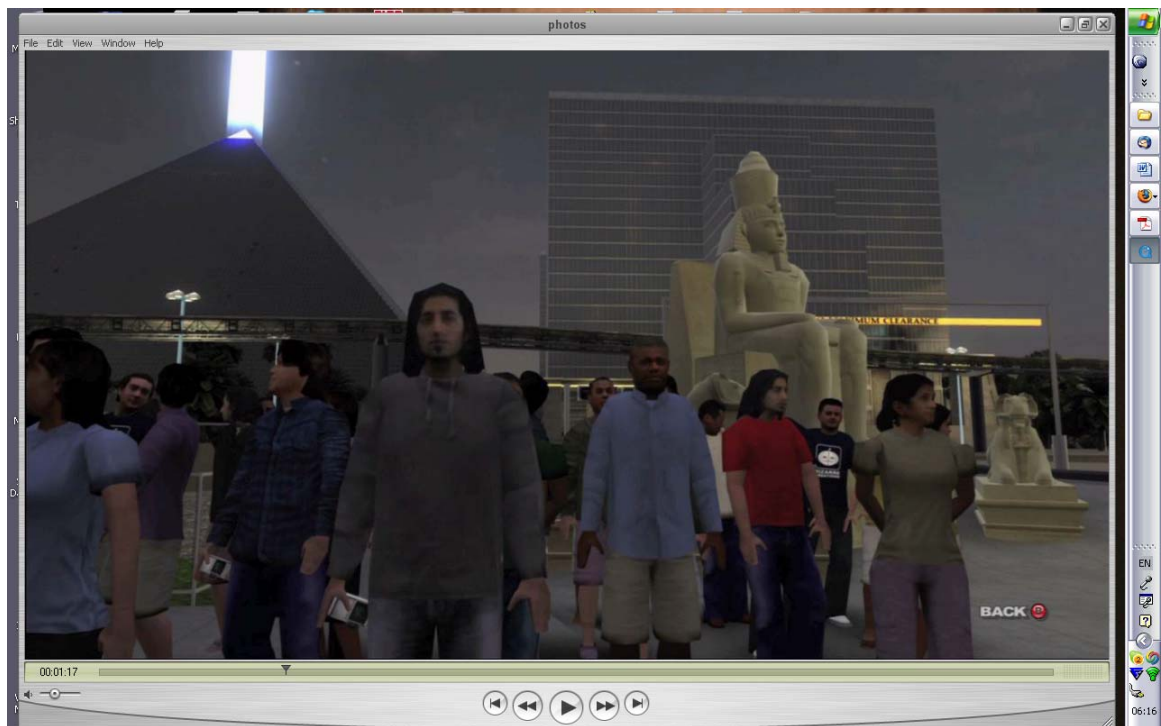
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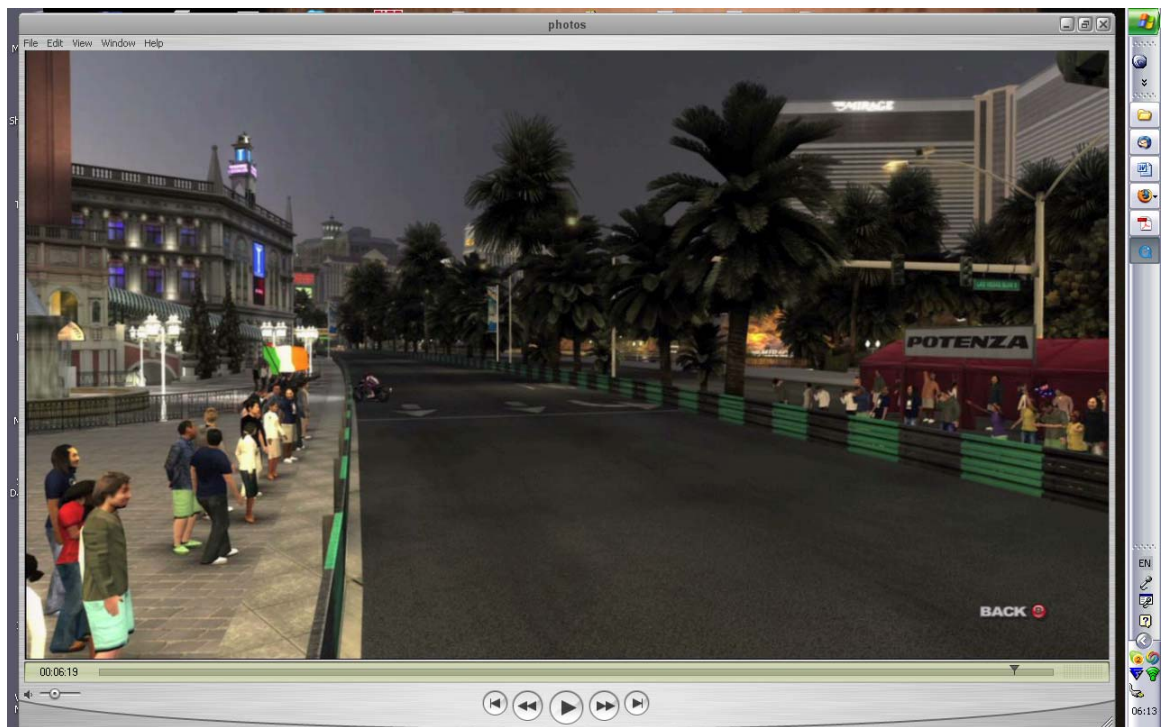
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Appendix - Photos from Las Vegas in PGR4







Language barrier and tourism services in Sicily: Customer opinions in the hotel reviews and online travel blogs

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Abstract

This paper is part of a wider research in progress about the word of mouth on the web, seen as a public image of a region, a town or a specific lodging service. The research intends to describe the contents of travel blogs, tourism forum, travel reports and hotel reviews regarding a single region (Sicily). This article is dedicated to the contents of the hotel reviews and travel blogs in Sicily, considering causes of complaints related to language problems.

After a website selection made through the page rank of Google, the comments of tourists in Sicily after the travel experience in a given period (2002 – 2007) were analysed and selected considering the presence of mentions of language issues and their frequency. The dissatisfaction factors regarding the existence of a language barrier have been divided into related to a service (hotels, restaurants, information offices) and general about the destination.

Keywords/themes: Internet, language barrier, blogs and hotel reviews on line, web communication, customer-generated, destination image

1. INTRODUCTION

The internet has become the most critical marketing channel for the lodging industry, in terms of providing information, selling rooms, and making hotels visible and accessible on the Web.

Consumers increasingly use it as a source of travel information. They plan, search for, buy and modify their travel and tourism products and services on the Internet. According to a recent survey of 2,931 online U.S. adults ages 18 and over (www.harrisinteractive.com), nearly three in four (73%) who stay in hotels when they travel say they start their stay by researching hotel accommodations online, according to the survey commissioned by VFM Interactive and conducted by Harris Interactive.

This article is part of a research in progress, that will be finished and published within the current year 2009. The research purpose is to analyse the contents of the sites that offer spaces for spontaneous comments, tips and reviews of services, or of the global experience, regarding a specific region of Italy (Sicily) . A growing number of tourists look for information given by other tourists (Watzlavic 1972, Trevisani 2002), on websites where everybody interact with each other in a context of equality, creating a relationship among customers where all the "actors" of the communication itself start from the same level.

The vigorous growth of the internet has drawn a lot of attention from both academic researchers and business operators. Internet publications on tourism marketing have grown significantly in the last few years. Some have provided a necessary background to some in-depth discussions of the various issues of marketing tourism on the internet. Some of these articles have highlighted the internet's impact on tourism distribution. However, this field of research is still in its childhood. Bigger efforts should be made to understanding the internet's role in tourism marketing and as to how tourism organizations and destinations can exploit its full potential.

The Internet has transformed the well-known marketing communication model from one-to-many to one-on-one, or from broadcasting to narrowcasting. The traditional print, radio and television, follow the passive one-to-many communication model. This way a company reaches many current and potential customers through repeated broadcasts of the same message. This traditional approach presents three main problems (Liu 2000):

- The message to every consumer is generic
- Wasted exposures to uninterested audiences
- Competing and conflicting messages being sent to consumers.

The Internet gives the ability to address each consumer personally. Each time a user visits a web site its server has a record of the user's electronic address. This information will help, to send a personalised message to a smaller target audience or an individual consumer.

The internet has an edge over any other media in its ability to permanently expose information to a global audience. The net vastly improves the information availability and user interaction. An effective web site keeps a company in business 24 hours a day, 365 days a year in a global market place. Anybody in any part of the world can access its marketing information at any time they desire. This ability will greatly reduce place and time utility woes. Accessibility is vital in international trade, not only where business spans across different time zones. Global exposure is of prime importance for tourism destinations. Till the mid-1990s destination promotions were entirely reliant on travel agencies to market its products. The web has enabled tourism destinations to market themselves through well designed and well promoted websites. Doing business on the web has helped avoid regulations and restrictions that companies must follow when physically doing business in other countries. For example in some countries, foreign travel companies are forbidden to operate. Finally,

compared with the traditional media, the web allows unlimited access for hundreds of millions users to an unlimited amount of information (Liu 2000).

In tourism the web-based distribution systems can help satisfy the consumer needs of easy access to a wide choice of information. Increasingly tourist satisfaction depends on the timely availability of accurate and relevant information. Improved access to information on all aspects of tourist activities has made it possible for marketers to offer personalized services at the same prices as standard packages.

But also the customer - generated information are growing in importance through the web, changing the traditional word-of-mouth of potential and effective customers into something with a power and an intensity never seen before, that probably will influence the tourism market with more intensity in the close future.

2. WORD OF MOUTH AND TOURISM

With the Internet, virtually unlimited amount of information can be stored at a web site and an unlimited number of users can retrieve it at any time from anywhere in the world. The Web can not only provide more information but also provide it from a much wider range of sources; while in the past, tourists were almost exclusively dependent upon representations and descriptions obtained through the travel trade. The Web can also deliver the information in a greater variety of formats, from text to photos, graphs, audio and video clips, whereas in the past, tourists primarily relied on the printed brochures as the limited copies of videos of a limited number of tourism destinations or holidays were only available to the major travel agents.

What is written on the web is public, and visible for the surfers, sometimes for years, without password. Every information coming from spontaneous sources, not from marketing - oriented communication channels, can be classified as "word of mouth" (R. Wilson, 1998).

With the internet, WOM has empowered himself. Word of mouth has risen almost as swiftly as the Internet in becoming an equal force in marketing products. While the Internet affects the way to sell products to customers, word of mouth affects the way to promote products to them

In the Yesawich, Pepperdine & Brown and Yankelovich Partners' *National Leisure Travel Monitor* (2002), we learn that recommendations from family and friends rank third in criteria in hotel and resort selection decision factors.

In their spontaneous reviews, the tourists report various reasons of satisfaction/complaint about the lodging service personally experienced, and they often talk about some aspects considered important in the classical customer satisfaction studies. But in this case, the tourist feedback is not obtained through a validated questionnaire, no samples techniques are used, and the statistics standards of significance, content validity and reliability are not present. Maybe, this is the reason why the contents of these websites are still not

frequently debated in the marketing literature.

Above all, proceedings and results of the customer satisfaction surveys are not public. The reviews on the web can be consulted virtually by every potential tourist, with an influence on his decision process (Trevisani 2002).

Here, the main interest is not to analyse the contents of complaints as if they were obtained from a statistic sample, to observe a whole universe behind; the main purpose is to start to describe the characteristics of the public image of a region, a specific area or a lodging service, that will be perceived by the potential tourist looking for information from other customers. After the tourist completed his journey or holiday, he takes home nothing but experiences (though often together with some photos and souvenirs). While the importance of the practices of tourism has been established, there is still a lack of detailed descriptions of the everyday problems of organization, time, and site. According to Fodness and Murray (Fodness and Murray 1997), there is a lack of "detailed knowledge of the basis of actual tourist behaviour". The interviews, which are frequently used as primary data, can lead to the analysis of views expressed, rather than what is actually done. Indeed, the literature still does not answer questions concerning how tourists go about prioritizing different attractions, or how they navigate the complex assemblages of local transport and geographical information. Rather, paradoxically, asking tourists what they think may not be a good way of getting at the judgments that can be seen in actual activity.

The factors determining the success of a tourist destination, in terms of customer satisfaction, are sometimes many and different for every different tourism segment, even when they could contribute in increase the attractiveness of the destination itself. Generally speaking, in case of higher satisfaction level than the expectations, on the strength of the discrepancy theory of marketing (Kotler 1996, 2004), we can expect the customers to increase behaviours such repeated visitation and positive word-of-mouth.

If we want to know how the destination is perceived by the tourist after the visit, and his final level of satisfaction, it is necessary to quantify the frequency and intensity of attractiveness factors, for every tourist destination. The customer - generated information permits to reduce the influence of the negative factors and to emphasize the positive factors, up to use them to build a new and better image of the destination.

From this point of view, the positive word-of-mouth among customers/tourists is so important that it can create and spread an attractive image of the destination considered, often determining an increase of tourism flows and repeated visitations.

3. LANGUAGE BARRIERS AND TOURISM

Until a recent past, the necessity of learning at least a few basics of another language was considered a normal part of a travelling experience. The so-called "mass tourism industry" changed deeply this perspective, and every kind of organised tourism is structured with the intention to eliminate any chance of "communication troubles". This means that is especially the independent tourist (a growing segment) the one more exposed to language issues of various kinds when travelling, from the elementary needs to the more complex

necessities. But when it comes to the tourism oriented services, the expectations become stronger, and today is considered normal, in Europe and not only, to expect good English speakers in lodging services, tourist information offices, museums, car rent agencies, and so forth.

The existence of an unexpected language barrier can generate a disappointment that, when repeated, can easily turn into a general feeling of dissatisfaction about the service, possibly enhanced to embrace the entire destination, perceived as "disorganised", "unprepared", "underdeveloped", "unfit" for independent tourists.

Besides, the communication issues are often connected to a general state of anxiety, because it becomes more difficult to understand properly the social situations, for example exchanging happiness with aggressiveness (the most common case), and is frequent the feeling of being threatened without reason.

This influenced the type of tourists found: predominantly those who had arranged most of their own travel. While the package market is obviously a very important part of tourism, the focus was on those who arrange their own activities.

A peculiarity and temporarily a limit of this study is the fact that the information flow, to be "global", must be in English. The information written in other languages have remarkably a lighter impact on the market, often limited to a single nation. Of course, this factor give us a vision of tourism in Sicily mainly expressed by UK and US tourists, and partly by tourists coming from North European countries. We must take this into consideration, presuming a bigger expectation in terms of easiness in communication among tourist who have English as their mother language.

4. THE LANGUAGE BARRIER IN HOTEL REVIEWS: METHODOLOGY AND PROCEEDINGS

The research is in progress, and at moment limited to the main hotel reviews site, www.tripadvisor.com. purchased for its relevance on the search engine Google, searching for "Sicily hotel reviews" . About the relevance of a website homepage, the PageRank rating used by Google (www.google.com) relies on the nature of the web by using its vast link structure as an indicator of an individual page's value. In essence, Google interprets a link from page A to page B as a vote, by page A, for page B. But, Google looks at more than the sheer volume of votes, or links a page receives; it also analyzes the page that casts the vote. Votes cast by pages that are themselves "important" weigh more heavily and help to make other pages "important."

Important, high-quality sites should receive a higher PageRank. Of course, important pages mean nothing to you if they don't match your query. So, Google combines PageRank with text-matching techniques to find pages that are both important and relevant to your search. Google goes far beyond the number of times a term appears on a page and examines all aspects of the page's content (and the content of the pages linking to it) to determine if it's a

good match for the query.

Every reviewer on this site can rate the hotel from 0 to 5, and write a comment, sharing his experience with others. In this article, are considered the mentions of language problems within the hotel. The mentions were found reading directly all the reviews considered, the total number. In the study, we still haven't used any electronic program for the text analysis, and a direct human reading was preferred, given also the limited number of reviews, at least at the start of the research. This would not be possible choosing a destination like Rome, or Florence. In that case, the number of reviews only on this site is more than 40.000! Also for Sicily, considering the constant increase, soon will become impossible to read all the reviews and the use of a statistic sample proceeding and electronic tools for text analysis will be necessary.

Table 1. Number of hotel reviews 2002 - 2007 in Sicily

<i>I.I</i> 002	2	<i>I.II</i> 03	20	<i>I.III</i> 04	20	<i>I.IV</i> 05	20	<i>I.V</i> 006 2007	2
<i>I.VI</i> 8	2	<i>I.VII</i> 7	18	<i>I.VIII</i> 9	58	<i>I.IX</i> 7	95	<i>I.X</i> 630 2996	1

The influence of this kind of WOM among the tourists in Sicily is increasing every year. The total number of reviews considered here is 6.384.

Table 2. Number of language problems mentioned 2002 - 2007 in the lodging services in Sicily

<i>I.XI</i>	2	<i>I.XII</i>	20	<i>I.XIII</i>	20	<i>I.XIV</i>	20	<i>I.XV</i>	20
002		03		04		05		06	
								2007	
<i>I.XVI</i>	8	<i>I.XVII</i>	58	<i>I.XVIII</i>	12	<i>I.XIX</i>	22	<i>I.XX</i>	38
				9		1		0	
								528	
Total : 1324									

Apparently, the percentage of complaints about language barrier in the lodging services in Sicily is slowly decreasing, and this is probably due to an higher level of attention of the stakeholders at the issue. Nevertheless, the number of complaints is still extremely high, and is doubtless that the final effect is to "characterize" Sicily as a destination with an underdeveloped lodging industry, that adds to a general lack of tourism infrastructure. Now we consider the presence of language issues in accommodation services analysing the distribution in the territory, following the usual division in 9 provinces.

Table 3. Number of language problems mentioned in the whole period 2002 - 2007 in the accommodation services in the 9 provinces of Sicily.

Here is evident the existence of a problem regarding English not widely spoken where is more important for a tourist, in the accommodation services, with a big incidence especially in the Palermo and Agrigento province. The data of Messina province is noticeable, being the area where Taormina is, and Taormina alone represents more than the 40% of tourist presences (Despite the slow but constant growth of the rest of the island) in Sicily, historically prepared for packaged/organized tourism, and with higher standards of organization, not comparable as average with the rest of the island.

5. LANGUAGE BARRIER IN TRAVEL BLOGS AND REPORTS

In this part of the study, we've been searching for mentions of language difficulties in the travel reports, and blogs written by the tourist during or after the experience.

Here we find another kind of problem, more difficult to cope with for the tourism marketing. A territory characterized by words like "feeling", "sensation", "impression", where is really hard to narrow down to a specific factor to explain the final effect of satisfaction/dissatisfaction of a tourism experience. The awareness of the existence of a problem is of course the first step for any problem solving strategy, but isn't easy to go further when the specific causes are not communicated, or expressed only in part.

The blog search engines considered in this study, among the first five to appear after a query on Google (searching "blog search engine" as query) are:

www.blogdigger.com

www.Blogsearchengine.com

[http//Blogsearch.google.com](http://Blogsearch.google.com)

The blogs found with comments and tell-tale stories regarding a tourism experience in Sicily at December 31, 2007 (searching as keywords "Sicily travel") are 266, and their number is constantly increasing

Table 4. Number of blogs found with comments regarding a tourism experience in Sicily at December 31, 2007

2005	2006	2007	total
29	71	166	266

Also in this case, the limited number of blogs and reports about Sicily allows a direct reading of all the texts. Only in the year 2007, Rome have more than 3000 blogs found.

The average text length was taken into consideration at first. This average is of 610 words for every text, but the part where the destination is directly interested, through descriptions, mentions, and expressions of satisfaction/dissatisfaction, have an average length of 290 words.

Who are this tourists? The majority, 214 out of 266 are independent tourist. And 225 out of 266 have travelled in Italy once or more before coming to Sicily for the first time.

About the language barrier, the blogs and reports considered contain a peculiar result for Sicily, not entirely unexpected, but that should be alarming for the local tourism trade.

Table 5. Presence of language problems mentioned in travel blogs regarding Sicily

Presence language problems	151
Absence language problems	115

More than the 50% of the blogs and reports contain a mention of language barrier encountered, the percentage is slightly higher than in the hotel reviews. What was maybe more worth of attention is the discover of 2 sentences often associated with the mention:

"Here language is a problem more than in the rest of Italy" , literally repeated in 61 reports

"Nobody speak English here", literally repeated in 38 reports

6. CONCLUSIONS

Summarizing, the present work is part of a wider research in progress about the impact of word of mouth among tourists on the web; this paper aimed to determine the number of language issues reported by travellers on the internet about a given region (Sicily), regarding services or the destination in itself.

The fact that has been highlighted in the article is the general lack of a good amount of English speakers, perceived by a big number of tourists in the two situations considered, both in the lodging services and generally in every human interaction encountered in the destination.

The packaged tourism is a little minority in this context. Given the limited time, this is easy to explain: is often not possible, in a few hours, to have an human contact with a stranger, service-related or not, that can be fixed in the long term memory. Generally speaking, the mass-tourist don't have to cope with unexpected situations, in organized environments where nearly everything is predictable.

The language issue results as being very important in the value perception of the tourism experience of the independent visitors. If the feeling of being misunderstood can be generalized as always negative, on the other hand it could stimulate, in a segment of customers, the enforcing of a negative opinion extended to the whole destination and the motivation to communicate it to the other potential tourists through the web.

In the case of an hotel the problem could be seen as the problem of a single structure/stakeholder, but when the destination on the whole is involved in the negative comment, the public image of the territory will have to cope with major problems, both in the short and in the long term.

Also the stakeholders, shop owners, and service/hotel managers who operate in the destination, when interested in tourism-related business, should consider the necessity of

a stronger effort in adapting their work/business standards with the expectations of foreign tourists, through different criteria of selection for the human resources.

Interesting peculiarities regarding the destination image before and after the experience are starting to be visible in the research. We can notice that the Messina province (where Taormina is) have the lower percentage of language barrier encountered, indicating a good standard product, especially if compared to the rest of the region. The Palermo and Agrigento province have the higher percentage of language problems in the accommodation industry, giving the image of an underdeveloped area in one or more basic technical aspects.

This study has spent considerable time on what may seem very mundane details of tourist practices. In closing, it is worth underlining that the mundane is not something inherently of little importance. To those unfamiliar with reports, or studies that focus on practice, the mundane can appear as a departure into the insignificant. However, as Barry Brown work (2007) states, "the massive pervasiveness of mundane action makes the impact of these practices both powerful and subtle. Seemingly trivial details, such as moment of troubles in communication, can have a large impact on tourist practice worldwide."

Rather than seeing the source of tourist action in the socioeconomic structure of the world, this approach starts literally where tourists start, asking, "what's my feeling about this experience, and why?". By paying close attention to the preferred activities of tourists and the satisfaction level expressed, the questions of tourists themselves can be placed at the centre of understanding tourism.

These first results are interesting and, in part, unexpected. Further results of the research in progress will be probably useful in a new way to keep under constant monitoring the word of mouth among tourists and its consequences, building an always renewing public image of a destination and its tourism related services.

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A sustainable tourism mobility passage in the Alpine region

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Abstract:

The European Alpine region is an important tourism destination that at the same time is faced with environmental challenges. In aiming for a sustainable development of Alpine tourism (i.e. environmental-friendly, profitable and high-quality) tourism boards and municipalities of 22 villages cooperate in the Alpine Pearls (AP) association. By considering whether the AP association has accomplished to develop services for Alpine Pearls holidays and for environmental-friendly travelling to and in these villages, this paper will point to some factors that might complicate the sustainable development of holidays in the Alpine region.

Keywords: Sustainable tourism mobility; Alpine tourism; Holiday practice; Passage

1 INTRODUCTION

Today the Alpine region is one of the most important tourism destinations in Europe (Bätzing 2003, EEA 2003). Some 100 million tourists visit the Alps each year for a holiday (Becken & Hay 2007, see also Pechlaner & Tschurtschenthaler 2003, Siegrist 1998). About 10% of the Alpine villages are tourism destinations that depend on the economic revenues of Alpine tourism (Bätzing 2003 in Alpenkonvention, 2007). Next to the economic relevance of tourism for this region, at the same time –and partly because of the high tourist arrivals– the environmental relevance of Alpine tourism becomes more and more apparent. The Alps have therefore been identified as a ‘climate-tourism hotspot’ (Becken & Hay 2007). Since the consequences of climate change have already affected tourism activity and economic benefits in the Alpine region, there is a growing interest in sustainability strategies. Böhler et al. (2006) argue that sustainability strategies must include, among other things, a shift towards environmentally friendly transportation modes (cf. Gössling et al. 2005, Peeters & Schouten 2006).

In this light it is interesting to have insights in the current use of public transport networks in the Alpine region. The European Environment Agency (EEA) estimates that “up to 80% of all tourist journeys to the Alps, where public transport is crucially lacking, are by car” (EEA 2003: 86). Additionally, these tourists use their cars frequently during their holiday as well.

In several Alpine villages car travel has increased with 45% in the last ten years (Alpenkonvention 2007).

Therefore, several communities in this region aim to reduce the transport-related environmental impacts (e.g. air pollution as a result of congestion and greenhouse gas emissions), for example by implementing improved environmentally sound transport connections (for both journeys to and from the destination and local/regional transport), shuttle services, availability of alternative vehicles in the communities and electronic travel information systems that cover all modes and (inter-)regional services of transport (Becken & Hay 2007). In this paper our attention goes to the network of Alpine Pearls villages which takes the above and other measures. The municipalities and tourism boards of 22 tourism destinations in the Alpine region are united in the Alpine Pearls (AP) association^{iv}. In achieving a sustainable development of the Alpine holiday, they stimulate tourists to travel to, between and in the Alpine tourism destinations in an environmental-friendly manner.

In a certain way, the aim of the AP association to enable tourists to travel environmental-friendly to and in the Alpine region is comparable with the aim Thomas Cook had in 1840 to enable tourists to travel by train to make a day-trip or to go on a holiday. Thomas Cook offered holiday packages including train tickets, route information, accommodation, and activities to undertake, in a period when people perceived travelling by train as expensive and difficult (Peters 2003, 2006, see also Brendon 1991). Comparable, the AP association aims to develop an Alpine Pearls holiday: a more sustainable Alpine holiday. Their special focus is on stimulating the use of less-polluting transport modes such as trains, buses, or electric vehicles. The Alpine Pearls holiday is however not exclusively focused on mobility aspects. The Alpine Pearls holiday considers the whole tourism chain, as in the case of Thomas Cook, and also involves accommodation and activities. To facilitate environmental-friendly travelling, the AP association aims to create a 'passage' among parts that make up the holiday.

When examining the aim of the AP association in light of the accomplishments of Thomas Cook, the question comes to mind to what extent a passage for Alpine Pearls holidays has been developed; a passage comprised of environmental-friendly travelling to and in the Alpine region, and, to a lesser extent, hotel accommodations and activities. This paper is hence focused on the creation of a passage for Alpine Pearls holidays which might contribute to a sustainable development of Alpine holidays.

To elaborate on this topic, participant observations were performed in the Alpine region, complemented with interviews with informants (see section 3). The results from this qualitative study will be presented in section 4, followed by the conclusions and some issues for tourism policy. Before going into the collected data in more detail, we will first give attention to the theoretical framework behind our analysis.

2 THEORETICAL FRAMEWORK

2.1 A contextual approach to the Alpine Pearls holiday

With respect to the development of an Alpine Pearls holiday, the Social Practices Approach (SPA), a contextual approach to consumption behaviour, offers a useful framework (see Spaargaren 1997, 2003, Spaargaren & Van Vliet 2000, Verbeek & Mommaas 2008). A central notion in SPA is the concept of social practices. Social practices are conceived as being routine-driven configurations of activities, situated in time and space, and shared by groups of people (Spaargaren 1997, 2003, Spaargaren & Van Vliet 2000). In this paper, the Alpine Pearls holiday can be conceived as a 'holiday practice'. Analysing the Alpine Pearls holiday from a practice-perspective implies that holiday behaviour is considered as a result of the dynamics between tourists and providers of tourism services and the (mis)fits in their interrelation. Furthermore, it is emphasized by SPA that such dynamics take place in a specific structural time-space context. In other words, sustainable development of tourism should be considered in its context; i.e. the Alpine region as a spatial context, and in the time-context in which environmental issues are high on the political and societal agenda, and in which the effects of climate change are already apparent in the Alpine region.

In light of SPA's emphasis of focusing on the interrelation between tourists and providers of tourism services in holiday practices, the attention in this paper goes to the accomplishments and the difficulties faced in developing a passage for Alpine Pearls holidays that encompasses both mobility, accommodation and activities, and to what it entails to travel along the passage of the Alpine Pearls holiday.

2.2 Passages for environmental-friendly travelling

In order to comprehensively analyse the development of the Alpine Pearls holiday, SPA's central notion of social practices is complemented with insights from research that specifically considers travelling behaviour in its time-space context. The Alpine Pearls holiday practice concerns a sequence of behaviours taking place in different settings, in constantly changing contexts, involving changing dynamics between tourists and providers of tourism services. To gain more insight in the character of practices 'on the move', in this paper, the notion of 'passages' taken from Peters (2003, 2006) is introduced as a specific form of practice theory. According to Peters, for every movement or journey, a passage should be created to reduce the uncertainty and unpredictability of travelling. Passages imply an order which contains material as well as immaterial elements (*ibid.*). To illustrate, a passage for train travelling to and in the Alpine region consists of certain network elements, implies certain travelling experiences, and requires skills for train travelling.

In this line of reasoning, creating a coherent order of material and immaterial elements for Alpine Pearls holidays implies the creation of a cross-border passage for environmental-friendly travelling, that enables tourists to experience smooth, comfortable and problem-free Alpine Pearls holidays. Applying the concept of passages to the goal of the AP association to create a passage for Alpine Pearls holidays, this would imply a passage that encompasses the whole holiday, including different time-settings (e.g. before, during and after the holiday), different spatial-settings (e.g. home, on the road, at the tourism destination), and different behaviours (e.g. gathering information, travelling, undertaking activities, sleeping, eating).

3 RESEARCH QUESTION AND METHOD

The Alpine Pearls holiday is about environmental-friendly travelling to, between and in the Alpine Pearl villages. This implies the creation of a passage that enables a smooth and fluent journey using environmental-friendly transport means. To investigate the passage for environmental-friendly travelling to and in the Alpine region, necessary for Alpine Pearls holidays, attention will be given to what it comprises to go on an Alpine Pearls holiday and to what extent passages have been developed. In this respect, the research question of this paper is formulated as follows:

“To what extent have passages for going on an Alpine Pearls holiday been developed, and what does this passage entail?”

In order to be able to answer this research question, two qualitative research methods were used: participant observation and interviews. In participant observation the researcher collects data by taking part in the setting and activities that are the object of research (DeWalt & DeWalt 2002). The time-space context of the ‘Alpine Pearls holiday’, the travellers travelling along the Alpine Pearls passage, and the availability of (information on) environmental-friendly tourism and travel services herein, have been discovered by conducting participant observation. By travelling through the passage, participant observation was performed ‘on the move’. The participant observation took place in June 2007 during SuperAlp^v and in July 2007, and covered 13 of 22 Alpine Pearls villages.

Whereas participant observation considers everything that happens in time-space settings, the processes ‘behind the scene’ that do have their influence on the setting have been discovered through interviews with informants. In July 2007, 13 in-depth semi-structured interviews were conducted with policy makers, mayors, tourism directors, and mobility managers that are involved with Alpine Pearls^{vi}.

The field notes of the participant observation and the transcriptions of the interviews have been systematically grouped and coded. A priori categories drawn from the theoretical framework gave a practical structure for organizing a topic-by-topic analysis of the notes and transcriptions. Furthermore, the interview transcriptions were included in a matrix in which the rows represent the topics and the columns represent the participants of the interviews.

Using the results of the participant observation and the interviews, the next section will elaborate on whether and how, within the scope of aiming for the sustainable development of tourism mobility in the Alpine region, a passage for Alpine Pearls holiday practice has been generated.

4 RESULTS

4.1 A passage for the Alpine Pearls holiday practice

Considering the development of the Alpine Pearls holiday practice and its passage for environmental-friendly travelling, the interviews and participant observation revealed that the political climate, the technologies, the market, and the users all strive for sustainable tourism mobility in the Alpine region. This is promising in light of the development of complete and continuous passages. Political bodies have performed several governmental projects on sustainable tourism mobility in the Alpine region. From this political climate followed the founding of the AP association (22 municipalities and tourism boards). The interviews and participant observation revealed that tour operators, transport companies, and hotels are also important actors in the creation of a passage for Alpine Pearls holidays. Railway tour operator Ameropa has chosen to market their holiday packages as Alpine Pearls holidays, and hotels in several villages are committed to Alpine Pearls. Furthermore, Alpine Pearls holidays encompass innovative technologies for environmental-friendly travelling (e.g. electric bicycles) that tourists can use during their Alpine Pearls holiday. Finally, although most tourists who go on an Alpine Pearls holiday do this because of other than environmental reasons, they appreciate that it is at the same time environmental-friendly. The fact that Alpine Pearls holidays are also undertaken by persons who do not have environmental-friendliness as their single or most important concern shows that Alpine Pearls holidays are attractive to more tourists than environmentalist tourists only. The fact that users, technologies, politics, and markets are all involved makes a valuable contribution to the development of the Alpine Pearls holiday practice and its passage for environmental-friendly travelling.

Furthermore, it appeared that this Alpine Pearls holiday and its passage are characterised by a unique 'storyline'. Storylines are narratives that give meaning to specific phenomena and provide actors with a set of symbolic references (Hajer 1995). In the storyline of the passage of the Alpine Pearls holiday environmental-friendliness goes hand in hand with comfortable and convenient travelling, with enjoyable, fun and high-quality holidays spent in beautiful landscapes and finally, with economic success. This storyline shows the environmental component of the Alpine Pearls holiday is not concealed (i.e. 'behind the back of the consumer'), but is explicitly communicated. Moreover, the storyline proves that the ecological advantage is not the single selling point; rather, it is the unique selling point of Alpine Pearls holidays. Because of comfort, high-quality, pleasure, fun and enjoyment and environmental-friendliness, the Alpine Pearls villages differ from other tourism destinations in the Alpine region, and the Alpine Pearls holiday is different from an Alpine holiday. The Alpine Pearls holiday offers a storyline that connects benefits for tourists, benefits for Alpine tourism destinations, and benefits for the environment.

Besides the fact that there are many actors involved in the Alpine Pearls holiday practice and that it is characterised by a unique storyline, the participant observation demonstrated that there are several accomplishments in creating a passage for car-free Alpine Pearls holidays. In light of the association's aim to let tourists spend a holiday at a Pearl without a car, the manager of the AP association stated:

"Whether you choose to go to an international, well-known and train-connected large tourism town like Arosa or whether you go to Sauris, being a small Pearl embedded in the mountains in the region Friuli Giulia Venezia, you still don't need your car. We get

tourists to these villages without their car and provide excellent environmental friendly mobility at the spot.”

From the participant observation it appeared that indeed Alpine Pearl villages offer their guests a wide range of environmental-friendly travelling services (e.g. buses, bicycle taxis, electric bikes, cable cars, horse-drawn carriages, dog sleighs) and facilities for environmental-friendly activities (e.g. for mountain biking, cross-country skiing, alpine skiing, ice skating, hiking, climbing, snowshoe walking, Nordic walking, and horseback riding). Guests can furthermore make use of luggage transport services, stay in soft mobility hotels, do the groceries in biological farmer shops, gather information on public transport options from the mobility centre, or buy the ‘Alpine Pearls ticket’, which is valid for all buses and trains in Austria and has been developed by the AP association in cooperation with OBB (the Austrian railway company). These services make it easier and more comfortable to go on an Alpine Pearls holiday and leaving the car at home, or, at least, to not use the car during the Alpine Pearls holiday. Therefore, it can be said that these services contribute to the creation of a passage for Alpine Pearls holidays.

Next to the availability of services for environmental-friendly travelling and the tailor-made services for Alpine Pearls holidays, the participant observation revealed that information on Alpine Pearls holidays and environmental-friendly transport modes is available throughout the Alpine Pearls holiday. When people are gathering information to decide on their next holiday, they can run into information on Alpine Pearls on the website of Ameropa, a German railway tour operator that offers Alpine Pearls package holidays. Furthermore, since it is obligatory for every Pearl village to provide information on Alpine Pearls both on their websites and in their catalogues, information can be found here as well. This information concerns the goals and background of Alpine Pearls, how to reach the village by environmental-friendly transport means, and the bookable ‘Alpine Pearls package holidays’. Information on these topics is also provided on the website of the AP association. Furthermore, the AP association publishes a tourism brochure of Alpine Pearls holidays. Information is however not only provided before the holiday, it is woven into the Alpine Pearls holiday by way of information on Alpine Pearls in hotel rooms (if the hotel is committed to Alpine Pearls), at bike rental stations, in mobility centres, and in the tourist offices of the Pearl villages.

These results show that to a certain extent a green Alpine passage has been created. From choosing the holiday destination and the transport mode with which to travel, to the journey itself, the stay in the Alpine region and finally, the return journey, the provision of (travelling) services on the one hand, and information on the other creates a passage to enable smooth and comfortable environmental-friendly travelling (see more in Verbeek forthcoming).

4.2 Barriers in developing the Alpine Pearls holiday practice and its passage for environmental-friendly travelling

However, environmental-friendly travelling in the Alpine region is not always smooth and comfortable. The statement that “travelling is about solving problems” (Peters 2006) appeared to be a recurrent theme. During the Alpine Pearls holiday, people run into situations in which they can not travel as expected. People miss connecting trains, are

faced with closed cable cars, or can not easily reach the village from the nearest railway station. All such events obstruct a smooth journey in the Alpine region. Whether problems can be prevented or easily solved, depends on the quality of the passage.

The participant observation revealed that there are two important factors that restrict the creation of a passage for the Alpine Pearls holiday practice; the nationally organised transport infrastructures, and the sectorially organised tourism industry.

Nationally organised transport infrastructures

The participant observation of the Alpine Pearls holiday showed that a difficulty of organising a passage for an Alpine Pearls holiday is the fact that the Alpine region is spread over six countries. This complicates the creation of the cross-border infrastructures enabling a smooth passage for the Alpine Pearls holiday. Every country has different train and bus companies, transport networks and ticketing systems. This country-specific system of provision complicates the creation of a passage to and between Alpine Pearls villages.

Furthermore, some Alpine Pearls villages are well connected to the public transport infrastructure and have many environmental-friendly travelling options in and around the village, whereas other Alpine Pearls villages are difficult to reach without a car. In other words, some Alpine Pearls are originally designed for public transport and are perfectly situated in the passage for Alpine Pearls holidays. Other Pearls are however designed for car mobility and are not properly included in the passage for Alpine Pearls holidays. In line with Peters (2006: 97): “there is a tension between passage and place, which stems from the fact that the way a destination is made accessible cannot be separated from the design of the place itself”. As a result, the passage of the Alpine Pearls holiday that connects the 22 Pearl villages is not yet as uninterrupted, smooth and comfortable as is hoped for.

Finally, OD-transport facilities for Alpine Pearls holidays lack behind the availability of environmental-friendly travelling services in the villages, which reveals that the passage for environmental-friendly travelling to the Alpine Pearl villages is ‘under construction’. There are some difficulties in trying to overcome this problem. To give one example, the national railway companies Trenitalia, SNCF, SBB, and DB are not convinced of the relevance of a cross-border Alpine Pearls ticket that is valid for all trains and buses in the whole Alpine region. An explanation might lie in the fact that the system of provision of railway companies is different from the system of provision that is beneficial for Alpine Pearls holidays. The core business of transport companies is to transport people from A to B. Their focus is not on the holiday for which the journey is undertaken. The embeddedness of travelling in the holiday practice is not taken into account. When transport providers would take up the viewpoint of passages and cooperate on the level of holiday practices, then the development of an Alpine Pearls ticket that gives access to all environmental-friendly transport means in the whole Alpine region and can subsequently be used for OD-transport, would be more obvious. The creation of such a cross-border Alpine Pearls ticket would fit really well to the concept of an Alpine Pearls holiday. Currently, the nationally organised transport industry complicates the development of a passage for Alpine Pearls holidays (see more in Verbeek forthcoming).

Sectorially organised tourism industry

Another difficulty in organising a passage for the Alpine Pearls holiday is the compartmentalization of the tourism industry. The AP association is the obvious organisation to be in charge of creating a smooth passage of transport, accommodation, and activities, but is dependent on other actors (e.g. villages, train companies, bus companies, hotels, tour operators) to organise these elements. The association is not in the position to enforce these providers of the Alpine Pearls holiday to take action.

The participant observation revealed that the inclusion of hotels in the passage strengthens the passage for Alpine Pearls holidays. Although hotels are currently included in the passage of the Alpine Pearls holiday in diverging ways, each of them demonstrates that this inclusion makes the passage stronger and more fluent. Tourists have more information and more environmental-friendly transport modes at their disposal. However, since hotels are private companies, the AP association can not oblige them to offer their guests shuttle services, to provide them information on Alpine Pearls holidays, or even to provide them information on how to reach the hotel by public transport.

Furthermore, the AP association lacks the authority to convince railway and bus companies to organise for instance the above-mentioned Alpine Pearls ticket. Tour operators are therefore essential in organising passages for Alpine Pearls holidays. Railway tour operator Ameropa has chosen to market their holiday packages as Alpine Pearls holidays. There are however also railway tour operators that are hesitant to become a partner of Alpine Pearls and to market their holiday packages (consisting of a train trip and a stay in an Alpine Pearl village), as Alpine Pearls holidays, or even to inform on the availability of Alpine Pearls-related travelling services in the Pearl villages.

The Pearl villages are the only actors involved in the passage of the Alpine Pearls holiday that the AP association has some control over. The villages are member of the association and therefore have to commit to several criteria regarding the provision of environmental-friendly travelling options and of information about it.

In short, the results reveal that the cooperation of several actors is needed to organise the Alpine Pearls passage. The lack of authority of the AP association and the sectorially organised tourism industry hampers the development of a passage for the Alpine Pearls holiday (see more in Verbeek forthcoming).

5 CONCLUSIONS

With regard to the generation of a sustainable Alpine Pearls holiday practice and its passage for environmental-friendly travelling, our analysis revealed that a passage for Alpine Pearls holidays has been developed. There are ongoing developments in creating a passage for Alpine Pearls holidays: environmental-friendly travelling options have become available, as well as other services for Alpine Pearls holidays (e.g. hotels, environmental-friendly activities), information on environmental-friendly travelling services is present during the whole holiday, and this represents a single storyline. Environmental-friendliness is connected with the comfort, quality and ease of travelling without a car in the beautiful

landscapes of the Alpine region. This storyline contributes to the unique character of the Alpine Pearls holiday.

However, the passage is still 'under construction': sometimes travellers are faced with a lack of information on public transport options or with a lack of public transport options to reach the Pearl villages.

In this respect, our analysis revealed that the creation of a passage for Alpine Pearls holidays is complicated because of the fact that the Alpine Pearls holiday is characterised by a different system of provision compared to the current transport and tourism industries. National border problems hamper the organisation of a passage on the level of the Alpine Pearls holiday practice. Overcoming the problems of cross-border travelling (i.e. country-based information, country-based infrastructures, and country-based ticket systems) would benefit the creation of passages for environmental-friendly travelling and might therefore contribute to a sustainable development of Alpine holidays.

Furthermore, the development of a passage for the Alpine Pearls holiday practice is hampered by the sectorially organised tourism industry. This contextually organised system of provision of Alpine Pearls holidays does not interrelate with the sectorially and nationally organised system of provision of the tourism industry. One way to take a contextualised approach is to consider mobility as embedded in the holiday instead of as an isolated activity. In this line of thinking, we recommend to develop tourism products on the level of holiday practices, thereby reforming the sectorially-organised tourism industry to an industry organised around specific holiday practices. As mentioned above, this implies that a passage is created for the whole holiday, including different time-settings, different spatial-settings, and different behaviours.

Another conclusion with regard to the creation of passages of the Alpine Pearls holiday practice is that the AP association lacks the authority to organise a complete passage. Besides the important role of the AP association, the results of our analysis emphasize that the cooperation of established players is necessary. For instance, railway- and bus companies could decide to develop a more encompassing Alpine Pearls ticket. Or more tour operators could offer Alpine Pearls holiday packages. Tour operators buy services from transport companies at a large-scale which gives them power of expression when dealing with, for instance, the national railway companies. Furthermore, tour operators have expertise in creating new markets, in reaching tourists and in marketing new tourism products. This suggests that tour operators might be better in organising a passage for the Alpine Pearls holiday than a non-profit association of villages and local tourism boards. Indeed, both the history and current organisation of the tourism industry show that passages are successfully created by tour operators. Thomas Cook, for example, was faced with country-based, sectorially organised industries as well, but still, he was successful in accomplishing a cross-border passage for railway holidays. As a tour operator, or by cooperating with several tour operators, the AP association might be more powerful in organising a passage for Alpine Pearls holidays and hereby contribute to a sustainable development of Alpine holidays.

Acknowledgements

The authors are grateful to the Dutch Ministry of Housing, Spatial Planning and the Environment and the Knowledge Network on System Innovation (KSI) for their financial support to the Contrast Research Programme within which this paper was written.

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Tourism and Environmental Information: a Paradox Portrayed

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Abstract:

The tourism industry is faced with the challenge of a sustainable development of tourism and travelling behaviour. Environmental information might be of significant influence on the choices made regarding tourism and travelling behaviour. We however observed a paradox between the availability of environmental information in the vacation choice practice on the one hand and the minimal use of and unfamiliarity with it among tourists on the other. This induced us to analyse the positioning and content of environmental information in the vacation choice practice. This paper will present the results of our analysis and will point to some conclusions that help explain why environmental information is not yet successfully contributing to a sustainable development of tourism.

Keywords: Sustainable Development, Tourism, Environmental Information, Storyline

1 INTRODUCTION

The tourism industry is faced with the challenge of a sustainable development of tourism mobilities (see also Böhler et al. 2006, Budeanu 1999, 2007). Since information is of significant influence on the choices made regarding travelling behaviour (e.g. Bargeman & Van der Poel 2006, Pan & Fesenmaier 2006, Fodness & Murray 1997, 1999), information strategies on environmental-friendly travelling options can be crucial. The importance of environmental information in behavioural change is stressed by several scholars, stating that information is both an effective and a necessary precondition for action (see Bargeman & van der Poel 2006, Van den Burg 2006, Chafe 2004, Hobson 2003, Vittersø 2003). Providing environmental information is the first act to empower tourists to make informed decisions about their travelling behaviour. The belief is that knowledge on environmental impacts of holidays has a positive effect on people's attitudes towards environmental issues. In this light, environmental information can be a starting point for rethinking behaviour from a sustainability perspective (Van den Burg 2006) and to influence travelling choices (Chafe 2004), resulting in more environmental-friendly tourism and travelling behaviour.

Analyses of environmental information and behavioural change in the tourism consumption domain are mainly focused on tourism eco-labelling (e.g. Buckley 2002, Font 2002, Font & Buckley 2001). Besides eco-labelling there are many different ways in which environmental information is positioned in the vacation choice practice. These include climate compensation schemes (e.g. Green Seat, Trees for Travel), the ecological footprint of holidays (e.g. Vakantievoetafdruk), environmental impact calculators of transport modes (e.g. www.milieuentraal.nl; www.ecopassenger.org), websites on which sustainable holidays are gathered (e.g. www.responsibletravel.com), (self-acclaimed) environmental-friendly travel agencies (e.g. www.greenbookings.nl), an energy-label for air tickets (see www.cheaptickets.nl), and tips on how to make your tourism and travelling behaviour more sustainable (e.g. paragraph on sustainable tourism in travel catalogues, www.milieuentraal.nl, www.ikhebzininvakantie.nl).

This overview illustrates that environmental information is available in the vacation choice practice. Environmental issues are explicitly positioned in the vacation choice practice. Tourists however seldom run into environmental information regarding tourism and are hence unfamiliar with the various formats of environmental information. Existing initiatives miss customers' attention (more in Verbeek forthcoming; see also Budeanu 2007). The several environmental information formats that are positioned in the vacation choice practice are almost unknown among tourists.

The availability of environmental information in the vacation choice practice on the one hand and the unfamiliarity with it on the other reveals an evident problem. The minimal use of and unfamiliarity with environmental information in the vacation choice practice can not be explained by an absence of environmental information. This implies that there are other factors behind this paradox. In this paper we will search for and describe these factors. To achieve that, we will use the Social Practices Approach as the theoretical framework. In section 2 we will introduce this approach, in particular with regard to the positioning of environmental information in the vacation choice practice. This will lead to the formulation of the research question of this paper. To answer this question, section 3 will reflect on the used methodology (semi-structured interviews and focus groups), followed by a presentation of the results in section 4. This paper will conclude with some subjects of discussion and recommendations.

2 A PRACTICE-ORIENTED PERSPECTIVE ON ENVIRONMENTAL INFORMATION

With respect to the positioning of environmental information in the vacation choice practice, the Social Practices Approach (SPA), a contextual approach to consumption behaviour, offers a useful framework (see Spaargaren 1997, 2003, Spaargaren & Van Vliet 2000, Verbeek & Mommaas 2008, Verbeek forthcoming). A central notion in SPA is the concept of social practices. Social practices are conceived as routine-driven configurations of activities, situated in time and space, and shared by groups of people (see Spaargaren 1997, 2003, Spaargaren & Van Vliet 2000). In this paper, the vacation choice practice can be conceived as a social practice. In the vacation choice practice, tourists, with their

routines of searching information and arranging a holiday, interact with the information strategies of environmental organisations and of providers of tourism and travel services (e.g. tour operators, railway companies, and airlines).

Analysing the positioning of environmental information from a practice-perspective implies that the focus will not predominantly be on individual tourists who receive, gather and use information in their vacation decision-making processes, as is mostly the case in current tourism studies (e.g. Bargeman 2001, Bargeman & Van der Poel 2006, Van Raaij & Francken 1984, Van Raaij & Crofts 1994). Instead, taking up a practice-approach implies that the dynamics between tourists and providers of tourism services in the vacation choice practice are the research focus. Analysing these dynamics in the context of the vacation choice practice reveals the (mis)fits in their interrelation.

Contextuality of consumption behaviour is central in SPA. The approach emphasizes that the positioning of environmental information takes place in a specific structural time-space context or consumption junction and should hence be analysed in its context (here: the vacation choice practice) (see figure 1).

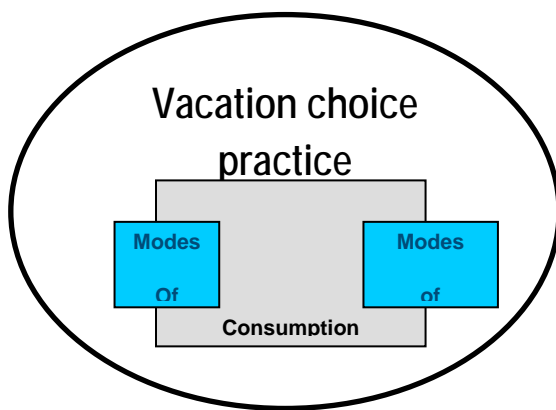


figure 1 The vacation choice practice. Freely translated from the SPA model (Spaargaren 1997).

Several consumption junctions in the vacation choice practice where travellers and tourists 'meet' providers of travel and tourism services are the local office of the travel agency, the railway or bus station, or holiday fairs. In those consumption junctions, environmental information can be provided in brochures, guide books, travel guides, magazines,

newspapers, television programmes, and word-of-mouth advertising (Bargeman 2001, Fodness & Murray 1997, 1999, Vittersø, 2003). And, becoming more and more important, the Internet is a consumption junction in itself where tourists and providers of tourism and transport services 'meet' each other.

To investigate the earlier mentioned paradox between the availability of environmental information in the vacation choice practice on the one hand and the minimal use of and unfamiliarity with it on the other, the analysis in this paper will focus on *how* environmental information is positioned in the vacation choice practice both from a provider- and user-perspective (i.e. modes of provision and modes of access; see figure 1). The content of and the dynamics behind the positioning of environmental information in the vacation choice practice will be examined.

Besides the provision-access dynamics regarding the positioning of environmental information, taking up a practice-approach implies that the positioning and content of environmental information is considered to be interwoven with and connected to the contextual characteristics of a particular holiday practice (see figure 2). In line with the SPA-based theoretical framework it is hypothesised that holiday practices have a structuring effect on the dynamics between consumers and providers in the vacation choice practice, which implies that environmental information should fit with practice-specific mechanisms between access and provision.

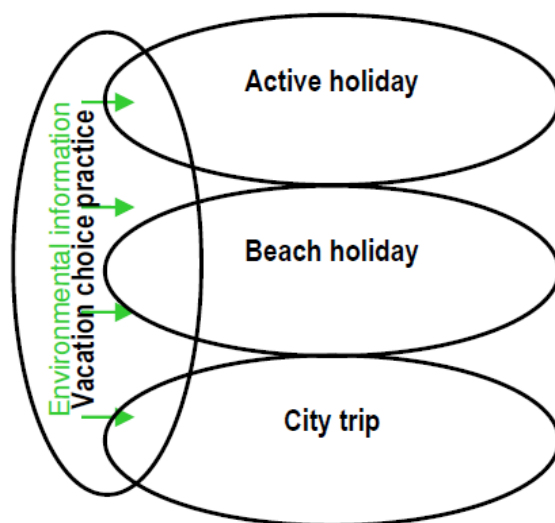


figure 2 Vacation choice practice and holiday practices. Freely translated from the SPA model (Spaargaren 1997).

This paper will examine how the positioning and content of environmental information connect with the character of the holiday practices for which the vacation choice practice is

undertaken (e.g. winter sports, beach holidays, city trips). In other words, it will be examined whether environmental information interrelates with the holiday practice. Therefore, the research question is formulated as follows:

“How is environmental information positioned in the vacation choice practice, and how does this interrelate with the character of the holiday practice?”

3 RESEARCH METHOD

To answer the research question, data have been gathered by way of two focus groups with consumers, and one focus group and semi-structured interviews with providers in the tourism industry. Focus groups were chosen as the method of data collection since this method fits well with the Social Practices Approach, focusing on groups of individuals in a certain context. Focus groups are designed to encourage interaction between the participants on specific topics (Krueger & Casey 2000). Since environmental information in the vacation choice practice is a rather new topic, encouraging interaction among participants to share their experiences and preferences is valuable.

For the first focus group with consumers (December 2006), people were selected from the PON-Brabantpanel because they were familiar with some of the eco-labels proposed to them in the PON-Brabantpanel survey. These participants were mainly independent travellers, arranging their holidays without using services of travel agencies and tour operators.

In the first group, environmental information strategies employed by travel agencies and tour operators remained underexposed. Therefore, participants for the second focus group (February 2007) were selected from the PON-Brabantpanel on the criterion that they booked their holiday through a travel agent or tour operator.

To gain insights in the providers' view on and experience with environmental information strategies in the vacation choice practice, an expert focus group was conducted. Experts were selected on the criterion that they provide environmental information in one way or another, diverging from frontrunners to laggards, from businesses to NGOs. Eight organisations participated in the focus group^{vii} that took place in December 2006. These eight organisations consisted of two CO₂-offset organisations, three tourism businesses, and three non-government/non-profit organisations providing environmental information.

In order to find out whether the ideas of the eight participating organisations in the expert focus group are characteristic for environmental information strategies of other organisations in the tourism industry, 12 semi-structured interviews with key informants of providers in the tourism industry have been conducted. The twelve key informants are representatives of tour operators (diverging in size and specialism), airlines, railway companies, coach companies, the Dutch automobile club, and the Dutch sector representative body^{viii}. The interviews have been conducted in February and March 2007. By complementing the focus group with interviews (i.e. method triangulation), the validity of the results increased.

The focus groups and interviews have been recorded and completely elaborated into transcriptions. The transcriptions have been systematically grouped and coded. The focus groups and interviews were semi-structured around the same topics which provided a structure for organizing a topic-by-topic analysis of the discussions. Furthermore, the answers of the focus groups and the interviews were included in a matrix. The rows represent the topics on the positioning of environmental information in the vacation choice practice. The columns represent the participants of the focus groups and interviews. This facilitated the comparison of providers' supply of environmental travel information with consumers' access to this information.

4 RESULTS

4.1 Positioning of environmental information in the vacation choice practice

This section elaborates on the views of tourists and providers on the positioning of environmental information in the vacation choice practice and how these interrelate. At first, attention will be paid to who is responsible for the provision of information and to the need for environmental information. Secondly, the positioning of environmental information in several consumption junctions will be described.

Provision and need of environmental information

Despite the fact that tourism providers feel responsible to act with environmental issues and climate change problems, from the focus group and interviews it appears that they are rather reluctant to take this responsibility and to proactively provide information on environmental issues related to the holiday (see also Forsyth 1996). Tourism businesses state that other organisations should inform consumers on environmental-friendly travelling options. Several diverging reasons are mentioned. There is a fear that when providers themselves proclaim to be environmental-friendly or to offer environmental-friendly travel and tourism services, that, first, people do not believe it, and, second, these providers will be accused of green wash. Third parties such as the media, consumer organisations, or eNGOs should take on the responsibility to inform tourists on environmental issues. Others state they do not want to provide environmental information since they do not want to get a green image. They fear to be perceived as an environmental-friendly business.

"I do not want to be known as a 'green' travel agency. I want to be open for everyone. We should be easy and accessible." (Interview; Provider 16)

The overall picture is that providers are hesitant to inform on environmental issues. This is supported by the prevailing view among providers that tourists do not want to be informed on the environmental aspects of the holiday.

“People are not interested in it [...] the customers don’t feel the need to receive environmental information.” (Interview; Provider 9)

“People don’t care at all what we do regarding to sustainability.” (FG Expert; Provider 8)

The focus groups with consumers revealed that tourists are positive towards the idea of being informed on environmental issues, but they want to be free to decide whether or not to do something with the information and to let this information influence their tourism behaviour.

“The environment is very important to me and if it is provided in a proper way, I am certainly open for it.” (FG Consumer 2; Tourist 11)

The focus group participants do not have a clear preference of one information provider over the other. Both tourists and tourism businesses refer to many different organisations that should provide environmental information. This might imply that they are indifferent, but it could also be related to issues of trust and accessibility. On the one hand tourists state that environmental claims are correct and trustworthy when they come from the government. On the other hand, they want to be informed by tour operators. That is easy and requires no effort since they gather information from tour operators anyhow. As opposed to governmental information, tour operators are generally part of the vacation choice practice.

Consumption junction

Environmental information should be positioned in the consumption junction, at the time and place where people choose their type of holiday, holiday destination and transport mode (e.g. the local office of the travel agency, or on websites of tour operators). It appears from the focus groups and interviews that websites are the most often used consumption junctions to position environmental information in the vacation choice practice.

Tourists consider the Internet as the most easily accessible consumption junction to gather information on the holiday. They hence want environmental information to be provided on websites of tour operators, travel agencies, airlines, or railway companies. Providers of tourism and travel services prefer to put information on the ecological soundness of travelling on their websites as well. As opposed to travel brochures or tourism catalogues, the Internet is generally believed to be the appropriate consumption junction.

“We do not mention it in our brochure [...] It might be useful to provide a link to an internet site. That makes it accessible for customers to easily look for environmental information.” (Interview; Provider 16)

The fact that most providers place the environmental information somewhere in an apart section on the website, where people who want to receive information on environmental issues related to the holiday can click on a link to retrieve this information, can be interpreted as a defensive act, as a way to keep environmental information away from the vacation choice practice.

Furthermore, consistent with the fact that some tourism businesses mention third parties as the appropriate information providers, providers mention the importance of newspapers, or television programmes. Again, environmental information is kept out of the popular information channels in the vacation choice practice. Environmental information is in most cases not integrated with the products and services that are purchased in the vacation choice practice.

It can be concluded that tourists and tourism providers are in a lock-in situation with respect to the positioning of environmental information. Tourism providers lack a vision on how to connect environmental information with the character of the holidays they offer, and tourists don't know how to integrate environmental issues in their holiday behaviour. In other words, in the tourism consumption domain, a vision on how to cope with environmental information in a way that connects with the vacation choice practice seems to be lacking.

4.2 Relation between environmental information and holiday practices

In this section the lock-in situation with respect to the positioning of environmental information will be linked to the concept of storylines. Subsequently, we will elaborate on the link between the current storyline and the type of holiday practice.

Environmental information as a single storyline

It is an intriguing question why tourists and tourism providers keep each other in a lock-in situation with regard to the positioning of environmental information. The focus groups and interviews gave some clues that the storyline of environmental information is important and decisive in this respect. Environmental messages can be framed in a storyline (e.g. Hajer 1995, Oosterveer et al. 2007, Hobson 2002, Freudendal-Pedersen 2005). Storylines that underlie environmental information display a qualitative description of environmental-friendly tourism and travelling behaviour.

The consumer and provider focus groups and the interviews all showed that environmental information is not neutral information. Instead, environmental information is biased by an immanent storyline. When tourists think of environmental-friendly holidays they think about cycling and walking holidays, about sleeping on a campsite, about little luxury, austerity, plainness, discomfort and high costs.

“When I think of something that is environmental-friendly, I immediately have the idea that we are going to have a hard time, and that it is very plain and simple without any luxury.” (FG Consumer 1; Tourist 3)

Providers are aware that consumers view environment-related subjects like this.

“When people think of going on a holiday that is sustainable or eco-friendly, they think that that will be very extreme.” (FG Expert; Provider 8)

“Environmental consciousness is still viewed as ‘geitenwollensok’. We don’t think that fits with our customers, and with the image of our holidays.” (Interview; Provider 15)

Both tourists and tourism providers frequently mention the word ‘geitenwollensok’, which refers to ‘open sandals and woolly socks types’, ‘tree huggers’ and ‘back-to-nature freaks’. It is probably because of the fact that environmental-friendly holidays are associated with outdoor, active holidays of a primitive character that are, on top of all, even more expensive, that providers are reluctant to provide environmental information, and that tourists are not searching for it.

Fit between the storyline and type of holiday practice?

The paradox regarding the positioning of information on environmental issues is probably related to the current storyline of environmental information. In line with the context-specific character of holiday practices, it can be expected that both tourists and providers prefer a practice-specific positioning of environmental information. However, practice-specificity is not reflected in the positioning of environmental information. Environmental information is positioned in the vacation choice practice in a generic manner, without taking practice-specific characteristics of holiday practices into account. The holiday practices with their own characteristics are not taken into consideration in the positioning of environmental information.

“The communication on environmental issues is the same for all holidays.” (Interview; Provider 13)

From an SPA perspective this is a too generic approach in which the context of holiday practices remains underexposed. From SPA perspective, it is important to elaborate on the connection between environmental information and the contextual dynamics in the holiday practices for which the vacation choice practice is undertaken. Currently, environmental information is implicitly connected to one storyline. This single storyline is recognizable in how environmental information is positioned in the vacation choice practice, and in the view that the actors in the tourism consumption domain have on environmental information. The storyline of environmental information does however not connect with the character of all holiday practices (e.g. beach holidays, winter sports and city trips). It fits with the active, outdoor travellers who actively search for information, who are more than average inclined to go on an environmental-friendly holiday, and who already have positive attitudes towards environmental issues. Hence, to a certain extent, there can be spoken of practice-specific environmental information.

Despite the fact that the current storyline of environmental information actually fits the active holiday practice, this practice represents only a small segment of the tourism industry. Generically applying the current storyline to other holiday practices (as is currently done) hence does not fit with the character of these holiday practices (see figure 3 below). In order for environmental issues to be interwoven in the tourism domain, it seems necessary that environmental information will be framed in alternative storylines that appeal to a wider public and that connect with more than one holiday practice.

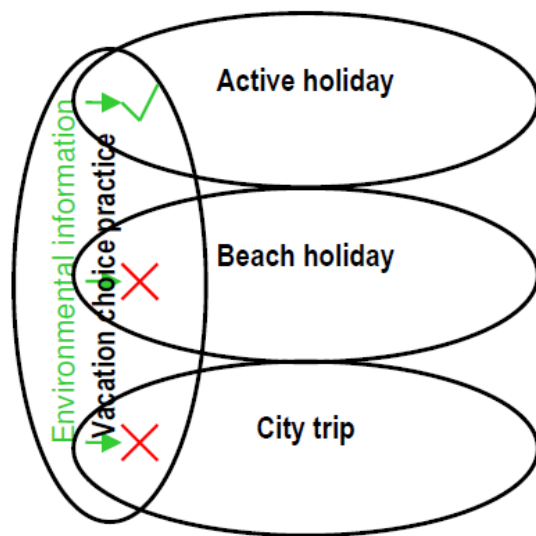


Figure 3 Environmental information and holiday practices

5 CONCLUSIONS AND DISCUSSION

The analysis of the positioning of environmental information in the vacation choice practice revealed that there is more or less a 'fit' between tourists and providers concerning how to position environmental information in the vacation choice practice. The results pointed to the striking conclusion that tourists and tourism businesses both prefer environmental information to be positioned in a remote corner of the vacation choice practice. Environmental information is positioned separately from information on other aspects of the holiday; it is often not interwoven with the products and services that are purchased in the vacation choice practice. Furthermore, both tourists and tourism providers associate environmental information with back-to-nature, active outdoor holidays. In this light, it is more appropriate to speak of a lock-in situation than of a fit between the actors from access- and the actors from provision-side when it concerns the positioning of environmental information.

Since the analysis of the positioning of environmental information in the vacation choice practice reveals a lock-in situation between access and provision, the SPA-based theoretical framework pointed us to the question how the current positioning of environmental information fits with the dynamics of the holiday practice. The results showed that environmental information is of a generic character. To answer the research question of this paper it can be concluded that the current environmental information paradigm is characterised by a single storyline of back-to-nature outdoor, active holidays. This storyline fits the active holiday practice, but however fails to connect with other holiday practices that

make up the bigger part of tourism and travelling behaviour. This storyline is however implicitly applied to the whole tourism domain and therefore fails to connect with specific contextual dynamics.

A lot of uncertainty, fear and reluctance regarding the positioning of environmental information in the vacation choice practice is probably related to the current storyline. Since environmental information is connected to one storyline that fits only one holiday practice and is unattractive for other holiday practices, it is not surprising that tour operators avoid giving environmental issues a central position in their communication strategies, fearing they would deter tourists from coming back (see also Budeanu 1999). Businesses don't want to bother the consumer with environmental information, since it is said to create a negative atmosphere, which does not fit with the fun, enjoyable, and pleasurable holiday practice. Environmental information is claimed to put holidays in a bad light, whereas especially holidays should be positive experiences.

To be more effective in greening the practice, environmental information should not be positioned in a generic manner as it is currently done. Expectantly, environmental information that is positioned in the vacation choice practice in a way that fits with the holiday practice for which the vacation choice is undertaken is more effective. It is a matter of tuning the environmental information on the type of holiday, the type of tourists, the transport routines, the need for information, the environmental attitudes, and the level of experience with environmental issues.

Especially the fact that tourism and travelling is about dreams, escape, and positive experiences (e.g. Urry 1990), underlines the need for alternative storylines of environmental information. The lock-in situation between environmental information, active holidays, and 'back-to-nature freaks' needs to be broken. Since "change may well take place through the emergence of new story-lines that re-order understandings" (Hajer 1995: 56, see also Freudendal-Pedersen 2005), environmental information needs to be detached from the current storyline of active holidays and to be connected to other storylines that connect with other holiday practices.

Preliminary results of a large-scale survey among Dutch citizen-consumers reveal that when people are confronted with several specific scenarios for sustainable tourism mobility (i.e. slow travelling, spending holidays close to home, modal shift to train or coach travelling, and climate compensation), they do not associate these scenarios with back-to-nature, and austere holidays in which one is refrained from all luxury. Instead, people associate these sustainable tourism and travelling alternatives with quality of the travelling experiences, with enjoying nature, with relaxation. Apparently, when people think of environmental-friendly holidays in general they think of back-to-nature primitive holidays, but when they are confronted with specific scenarios for sustainable tourism mobility, they associate these with other, more positive storylines.

Future research can further elaborate whether environmental information can connect to these alternative storylines and can be positioned in the vacation choice practice in a way that fits with the holiday practices. This can be useful in facing the challenge of sustainable development of tourism and travelling behaviour.

Acknowledgements

The authors are grateful to the Dutch Ministry of Housing, Spatial Planning and the Environment and the Knowledge Network on System Innovation (KSI) for their financial support to the Contrast Research Programme within which this paper was written.

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DESTINATION BRANDING IN RELATION TO AIRPORTS

The Case of Valencia

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ABSTRACT: This study examines a case of a successful destination and its connected airport, attracting a growing number of tourists. The study examines the key actors in the development of the growing number of tourists, and analyses what role the different actors have played in the process, using qualitative methods like in-depth interviews and snowball sampling. Of particular interest was the role of the airport in the development process. The findings conclude that Valencia has managed to attract more tourists through a series of systematic activities comprising arranging high profile events and focusing cultural tourism, thus creating a different position than neighbouring destination on the Spanish Mediterranean coast. The Valencia airport was found to have a passive role in the passenger number growth. Other actors were found to have much more active role in the development. Ingenuity of sourcing funds for the costly development was also noticed.

Keywords: destination branding, airports, passenger number growth

1. INTRODUCTION

Deregulation of the air transport industry, low cost carriers (LCC) and growth of passenger numbers (Freathy and O'Connell, 2000), have forced the air transport industry to look for new actors operating in industries like retailing and tourism to cooperate with in order to stay in business. Some airports have realised that airlines are looking for new destinations and not new airports (LFV, 2008). The tourism industry can gain in terms of development of tourist destinations due to accessibility provided through transport services (Graham, 2003). On the other hand, the air transport industry can gain with regard to additional demand that can be produced with tourism (ibid.).

However, it is uncertain to what extent branding enhances the competitive edge for an airport (Graham, 2003). In the case of some peripheral airports, branding seems to have increased the airport profile amongst tour operators and airlines (Halpern, 2008). However, this does not tell us whether an airport brand in itself is the initiator of attracting for example airlines and tourists to a destination or if other actors like destination marketing organisations (DMOs) are the major actors in destination branding, which in turn influences the airlines to contact airports for negotiations of new routes. In this case, influence refers to possible viewing of increased passenger numbers by airlines that might interest them to contact certain airports for potential collaboration. Previous research shows that DMOs hold greater power and legitimacy over other actors in destination development (Timur and Getz, 2008). Thus, is the destination branding at airports a form of brand extension where an airport, with or without its own brand, can improve its image, renew interest and/or

attract new customers, and enabling further growth due to a strong destination brand? The purpose of this study is to investigate what contributes to the growth in terms of passenger numbers of a destination and its connected air transportation. A connected question is who contributes to passenger number growth, leading us to study airport industry actors.

1.1 Air Transport Industry Actors

According to Jarach (2001) and Graham (2003), different actors that operate within the air transport industry perspective are among others passenger, cargo airlines, airport authorities, tour operators and travel agents. In this study, we pay particular interest to airports' role when collaborating with other actors to promote a destination through a destination brand.

1.2 Destination Branding

Research indicates that destination branding to a large extent is confined to logo design and development (Balakrishnan, 2008, Blain et al., 2005). Blain et al., (2005:337) argue that destination branding is much more and defines it as:

“...the set of marketing activities that (1) support the creation of a name, symbol, logo, word mark or other graphic that readily *identifies* and *differentiates* a destination; that (2) consistently convey the *expectation* of a memorable travel *experience* that is uniquely associated with the destination; that (3) serve to *consolidate* and *reinforce* the *emotional connection* between the visitor and the destination; and that (4) reduce consumer *search costs* and *perceived risk*. Collectively, these activities serve to create a *destination image* that positively influences consumer *destination choice*”.

Research shows that airports have own brands (Paternoster, 2008). Likewise, destinations, as mentioned above have their own brands. However, more research is required on how airport brands and destination brands relate to each other in order to enhance the relationship between destinations and airports.

Prideaux and Cooper (2002:35) argue that the way private and public sector stakeholder organisations collaborate within a DMO to promote a destination will affect the growth-rate. However, Baker and Cameron (2008) stake out difficulties in destination politics, which is concerned with the complex tourism product, the amount of stakeholders and their relationship, which poses constraints against effective destination branding. It is interesting to investigate which actors are more or less active in terms of collaboration to promote a destination through a destination brand as well as the complexity of relationships between the actors.

According to Hankinson (2004:116) the success of a destination brand strategy is highly reliable on collaboration with stakeholders in order to extend and reinforce effective relationships with stakeholders. Extension of a brand from the core refers to primary service relationships like services at the core of the brand experience, events and leisure activities and hotels and hotel associations (Hankinson, 2004). It also refers to media relationships

like publicity, public relations and advertising, customer relationships like residents and employees and brand infrastructure relationships focusing on external transport like air (ibid.). It is interesting to investigate what kind of service relationships occur between airports and organisations when promoting destinations through destination brands.

2. RESEARCH DESIGN

The research design chosen for this study is a qualitative, case-research method. Analysis through case studies offers the opportunity to evaluate a phenomenon and the context in which it is occurring (Prideaux and Cooper 2002). In this study, the phenomenon is destination branding and the context is the actors that collaborate to forge the growth in terms of tourist arrivals to a destination and the air transportation industry's role in this collaboration. A case study has been adopted because it enables understanding in what way a destination grows in terms of tourist arrivals and the air transport industry's role in this growth (Prideaux and Cooper 2002).

2.1 Choice of Destination

The single case of Valencia was chosen based on convenience sampling. Valencia has during the last couple of years had an increase in tourist arrivals, reaching a peak in 2007 (European Cities Marketing, 2007/2008, Turismo Valencia Convention Bureau, 2007). During the year 2007, Valencia has undergone a 17% increase in tourists. The economic impact of tourist activities in Valencia in 2007 reached € 1.5 billion. The tourism growth in Valencia in terms of overnight stays (million) and air transport including LCC as well as flag carriers (% compared to car, rail buss and ship) and increase in proportion of LCC (%), are illustrated in table 1.

Table 9 The tourism growth in Valencia

Topic/Time	2003	2004	2005	2006	2007
Overnight stays	2.09	2.17	2.49	3.14	3.51
Air transport	38.6	46.1	45.4	46.5	51
Low cost carriers	7	19	35	45	46

Source: Regional Ministry of Tourism (2007a); Turismo Valencia Convention Bureau (2007:9-23)

Valencia has also been successful as an event city, attracting high profile events like The 32nd America's Cup and Formula 1 – the European Grand Prix on the Valencia Street Circuit, hence only America's Cup and Formula 1 respectively. Hosting events have become popular when intending to promote destinations both on a national as well as on an international market due to them being beneficial from a cultural, economic and social perspective (Getz, 2005; Getz, 2007; Larson, 2000).

2.2 Data Collection

The study started with telephone contacts with key organisations in order to access interviews with informants who were considered to have relevant information. The key organisations were among others the local DMOs, major tourist attractions, fairs and/or conventions, some event organisations and government agents responsible for tourism development (Timur and Getz, 2008). During the telephone contacts and/or interviews, snowball sampling (Jensen, 2002) was employed to identify other key organisations of interest for this study. The interviews took place during October/November 2008 and were conducted at the organisations' headquarters. Each interview lasted one to two and a half hours.

Prior to the telephone contacts with key organisations in Valencia, a pre-study at The 14th World Route Development Forum, hence only Routes during October 12-14 2008 in Kuala Lumpur, Malaysia was conducted (Routes, 2008). The purpose was to give an indication of key organisations that collaborated with airports to promote a destination. Routes is an event where organisations within the air transport industry as well as other service and industry organisations meet to exchange information and make business.

The interviews in Valencia were executed following a semi-structured interview guide, which is common when conducting in-depth interviews. After a short presentation the main question is why Valencia has been able to increase the number of tourists and hosting high profile events was the topic for the interviews. Based on each interviewee's answer about actors they mentioned, the researcher provided the interviewee with A3 paper and pens with the intention of getting the interviewee to draw a map of actors that they collaborate with for the purpose of promoting Valencia and in turn attracting tourists to Valencia (Merrilees et al., 2005). As the interviewees drew which actors each organisation collaborated with, the researcher asked why they collaborated with each actor, what the collaboration consisted of and who initiated the contact. All interviewees agreed to draw maps. The interviewees were never informed about the researcher's interest in the airport as an actor in the promotion of Valencia.

2.3 Analysis of Valencia Interviews

In order to enhance the understanding of destination branding in relation to airports, analysis of the interviewees' responses will be categorised into themes: theme industry organisations participating in destination branding and theme activities undertaken by organisations in destination branding. This intends to increase the transparency of the responses.

Totally nine meetings in different organisations were arranged via telephone before departure to Valencia. An arranged meeting with Carlos being one of the Executive Directors at The Regional Ministry of Tourism, a department within The Regional Government (Generalitat Valenciana) was held. The Tourist Board – TB – will be used when referring to all levels within The Ministry of Regional Tourism. All interviewees have

been given fictional names. This particular governmental organisation was relevant to include because it was mentioned as an important actor at Routes.

Theme industry organisations participating in destination branding will focus on organisations directly or indirectly involved in the tourism industry. These themes will be categorised as one or two letters due to owner structure (below and Figure 1):

- Government – e.g. national government, town hall (G)
- Tourism organisations – e.g. tourist boards, destination marketing organisation (TO)
- Tourist attraction organisations (TA)
- Hotel, congress and ferial organisations (H)
- Event and sport organisations (E)
- Trade and media organisations – e.g. tour operators, product brands (T)
- Ground transportation organisations – e.g. railway, port, airport (GT)

Theme activities undertaken by organisations in destination branding will refer to which activities different theme industry organisations collaborate about in destination branding: advertising, information service, event services, transport accessibility services and facilitation services. The presentation will only revolve around theme activities undertaken by organisations collaborating with airports.

2.4 Limitations

In this study, time limitation resulted in several scope limitations like cultural issues focusing on nationality and organisational structures. The study was executed during September-December 2008. The focus on finding all key organisations involved in the promotion of Valencia was not possible. An inability to understand each key organisation's role in the promotion of Valencia and the airport's role in destination branding is a limitation. Other limitations are the use of a case study obstructing generalisations. The lack of the consumer perspective, thus, tourists' perspective of the promotion of Valencia, the lack of local people's perception of destination branding as well as tourists' and local people's view of the airport is a limitation.

3. RESULTS

3.1 The Case of Valencia

This section presents the different destination brands in Spain including Valencia. Thereafter, key organisations collaborating to promote Valencia and in turn attract tourist to visit the destination as well as how and why, is described.

3.2 Destination Brands – Collaboration or Battle?

In addition to TourSpain, which promotes Spain nationally and internationally, several regional, province and local destination brands exist (Carlos). The many destination brands used to promote destinations follow the Spanish political structure, that is, national, regional, provincial and city structures (Carlos, Fernando). Relevant for the case of Valencia are three destination brands: 1) the joint destination logo for 'Comunitat Valenciana' (The Regional Government) is the 'Palmera' or the 'Palm Tree established in

1986 (Carlos), 2) the province of Valencia, and 3) the City of Valencia (being one of 543 town halls in the Region) 'Valencia – incredible, but true' focusing on cultural tourism (Javier). Carlos mentions that TB has through policies and funding invested a great deal of financial resources to make the provincial brands visible. However, Carlos also describes that approximately 80% of tourism activities within the Region of Valencia are happening in Costa Blanca including Alicante and Benidorm. The rest of the tourism activities happen in Valencia and Castellón. Overlooking these parallel brands conclude with a question if the multitude of brands can be seen as complementing each other or if they are perceived as competitors.

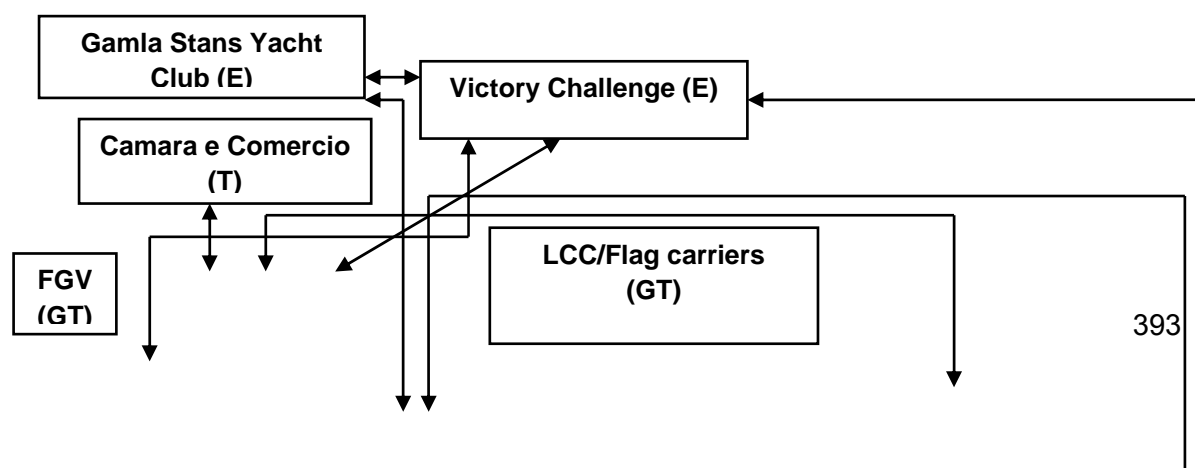
3.3 Organisations Participating in Destination Branding

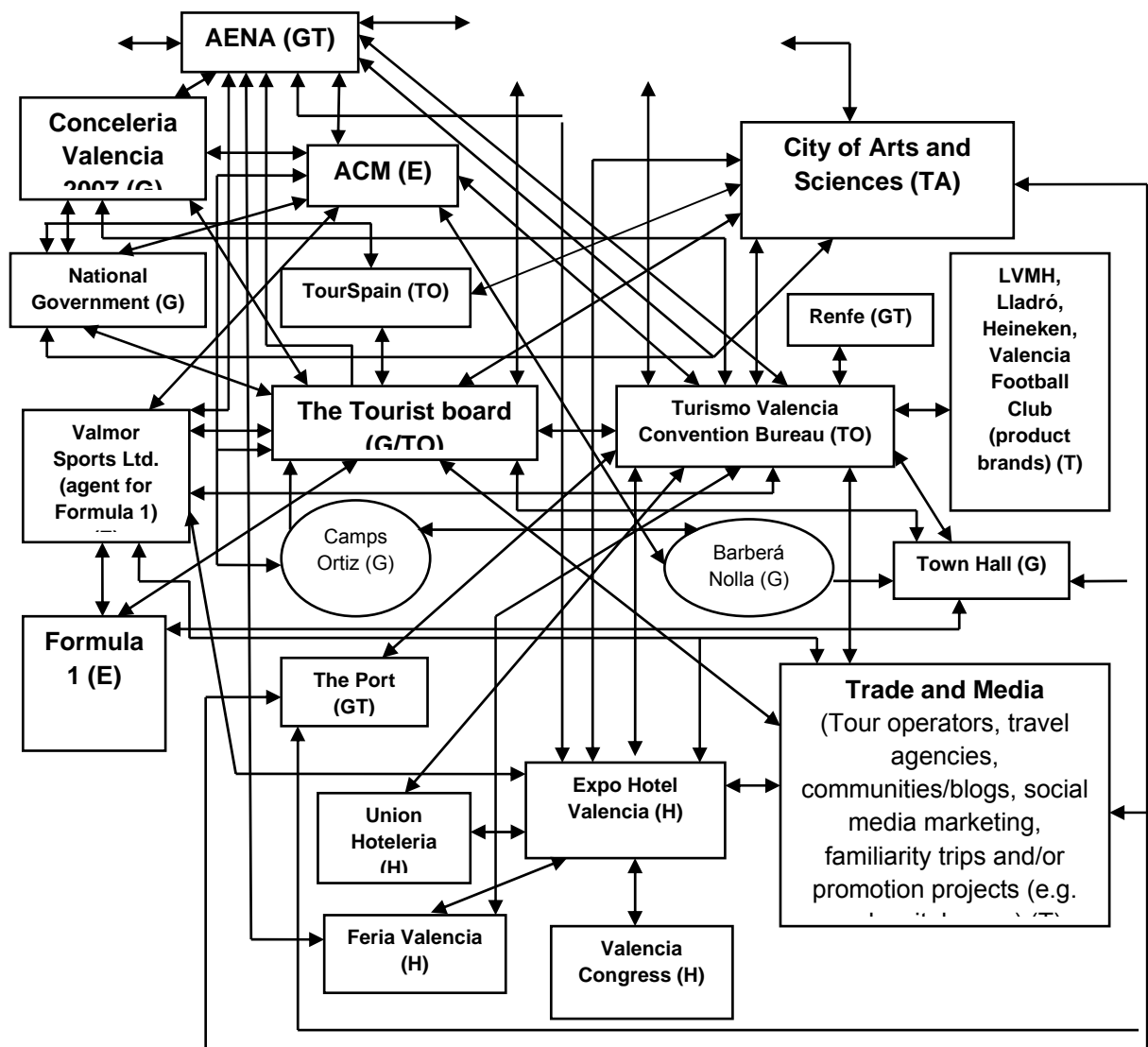
This section illustrates organisations participating in destination branding of Valencia and discussed the theme activities undertaken by organisations in destination branding (see 2.3).

Based on the findings in this study with regard to theme industry organisations participating in destination branding, some organisations are more active in branding Valencia than others (Figure 1). The study also revealed that a few individuals have had a major impact on putting Valencia on the map. The Major of Valencia, Rita Barberá Nolla, has a very strong position in Valencia in terms of being in office for almost 20 years, and her desire to put Valencia on the world map (Carlos). The collaboration between TB and The Town Hall, hence only TH, is that the President of Generalitat Valenciana, Francisco Camps Ortiz, and the Major belongs to the same political party and has known each other for many years (Carlos). The involvement to promote Valencia by the President and the Major, head of TH:

“is a driving force to the successes like America’s Cup and Formula 1. Generalitat Valenciana pushed for bidding for the Formula 1 event...We want the race because it is good for the brand of Valencia as well as the whole region of Valencia” (Carlos).

However, due to political issues, the promotion of America’s Cup was not ideal. Patricia from Concorcio Valencia 2007 explained that the different owners of the latter organisation had a hard time to get along mostly regarding financing, especially between The National Government, hence only NG and the other owners. It should also be mentioned that Valencia has received European funding for the development of infrastructure (Javier). Between 1996-2003, grants for the whole region have been given for tourism with totally € 11,96 million and € 55 during 2004-2007 (Delegación in the Internet reference).





ACM The America's Cup Management
 AENA Aeropuertos Españoles y Navegación Aéreas - The Valencia airport, Manises had 5, 87 million passengers until November 2008; 6 million passengers during 2007 (AENA, 2006).
 FGV Ferrocarril Generalitat Valenciana (underground)
 LVMH LVMH Group
 LLADRÓ Ceramic producer
 LCC Low Cost Carriers
 Renfe Railway

Figure 5 Organisations collaborating to promote Valencia

The collaboration between organisations engaging in destination branding revolved around some distinctive activities. The activities discussed below will only revolve around the activities undertaken by organisations and AENA in destination branding.

Considering advertising, AENA is according to Diego centrally and politically ruled giving the airport in Valencia limited freedom in decision making. The airport promotes City of Arts and Sciences, hence only CAS, on posters at the terminal (Carmen).

With regard to information services, a very important collaborator with regard to tourism relating to the airport is according to Diego Camara e Comercio (Chamber of Commerce).

AENA is a member of the transportation commission consisting of several airports as well as the tourism commission consisting of hotels and restaurants. TVCB provides AENA with statistics about the amount of passenger arrivals. TB, FGV as well as Feria Valencia has an information desk at the airport (Diego).

Focusing on event services, the collaboration with ACM and other people arranging the event lasted during three years leading up to the actual event in 2007 (Diego). All the teams came through the airport, the boats were transported by plane and most of the press and public came by plane.

Considering transportation accessibility services, AENA's most important collaboration is with Turismo Valencia Convention Bureau, hence only TVCB (Diego), expressing that: "the work that Turismo Valencia is doing for the city is highly important for the airport...the tourists have to land some place" (Diego). Concorcio Valencia 2007's collaboration with AENA concerned ACM's request about private flights for certain teams, special terminal for guests and a special place for promoting the event at the airport that were to be confirmed by the airport before agreeing on letting Valencia host America's Cup (Patricia). Victory Challenge's contact with AENA went through TVCB when the imported material was conveyed by plains (Enrique). The collaboration between Valmor Sports Ltd., hence only VS, and AENA revolves around arrangements of routes for specific guests using the special terminal, land and depart when necessary and helicopters for certain guests (Fernando). FGV collaborates with AENA due to the underground available from the airport to Valencia (Diego). Collaborations with LCC and flag carriers are also established. TB's collaboration with AENA to attract tourists to Valencia only revolves around statistics:

"The connection to AENA is just looked upon as fuel...administrative thing...you do not get to the tourism part...no contact with AENA for promotion...only statistics...AENA is strictly regulated and only looks for landings and takeoffs. It is an attitude. If you want to talk to AENA, you cannot go to the airport of Valencia; you have to call Madrid (AENA's headquarters) (Carlos).

With regard to facilitation services, Javier at TVCB explained that an agreement with the airport to use some of the military space for customers like BMW launching their new car has been made. The payment to the airport is done by the end customer like BMW. AENA agreed to do this because:

"...before you could not do anything at the airport. What is good for us and you (pointing at AENA in the map), is good for the city. The airport's answer was always: 'we do not do that' and the response from us (TVCB) was 'why not'? We tried to show them that they are part of tourism; that they belong to tourism" (Javier).

Diego at AENA describes the commercial activity in collaboration with TVCB by saying that:

"The airport rents the space to show cars, for example BMW, Toyota, Mercedes, Opel...They used the space to show 100 cars at the airport...But other companies want fast arrivals and departures, so we have a terminal for private aviation, where business people, stars and royalties come, it is Aviacion Privada. Also, the airport has a press hall and BMW used it to present the cars...The airport (AENA) does nothing to promote this. Turismo Valencia does all the work to find customers. The customers only sign the contracts with us".

4. DISCUSSION

4.1 The Vision of Valencia

The vision guiding the work of all the organisations in figure 1, is to put Valencia, and the surrounding region, on the map. Interpreting what “putting Valencia on the map” means comprises increasing the public knowledge of the existence of Valencia in general, as well as increasing the general public awareness of the attractiveness of Valencia as a destination to live in or visit for several different purposes. The goal under the vision is to carry out the destination branding activities of Valencia according to the elaborated steps in Blain’s et al. (2005) definition (see 1.2), although the Valencia people does not themselves refer to Blain et al. (ibid.). They rather describe their efforts focusing on the promotion of cultural tourism, leading to increasing the number of visiting tourists and creating a growth situation with good business opportunities.

The means to achieve the goals and contribute to reaching the vision of putting Valencia on the map has to a large extent focused on hosting high profile events, and developing cultural tourism in Valencia. The two most spectacular events held recently in Valencia were the America’s Cup in 2007, and the annual Formula 1 race. Another annual event is the Valencia Tennis Tournament on the ATP World Tour, held in November. Developing cultural tourism has manifested itself in the CAS and other activities in network with TB and TVCB. Beside these major events the city and region of Valencia hosts a growing number of different corporate and professional business events every year, such as new product launches. Combined with the classical reasons for visiting a Spanish east-coast seaside destination – enjoying the sun and the Mediterranean – Valencia has attracted a growing number of tourists for a series of years, as shown in table 1. The incoming tourists have to a growing extent chosen air transportation, as illustrated in table 1 (see 2.1). The airport in Valencia is now the number one travel connection between the City/Region and its surrounding.

4.2 Key Entrepreneurs Participating in Destination Branding

A growth situation like the one identified in Valencia does not materialise out of thin air. The study informants pointed out two main initiators, The Major Rita Barberá Nolla (TH) and the President of Generalitat Valenciana, Francisco Camps Ortiz, who, besides taking the initiative to formulate the vision of putting Valencia on the map, also continuously support the tangible work of promoting Valencia. Both these entrepreneurs have been in office for a long period of time and could therefore pursue the vision with a long-term perspective. There were also no reports on any opposition from any concerned party regarding the vision. Since both the city and the region benefits from the entrepreneur’s joint efforts, the cooperation works well.

Initiating a vision and setting goals to be reached may very well be attributed to the major and the regional president, but for the tangible execution of the plan to make Valencia a hotspot destination a number of other people and structures was needed. The needed people were to a substantial degree represented by the interviewees in this study. Their organisations, depicted in figure 1, constitute the needed structures for putting the vision into effect. On top of initiating the vision, both the major and the regional president demonstrate personal interest in the Valencia destination branding, e.g. shown when they facilitate their own favourite events. In the major’s case it is the America’s Cup and for the regional president it is the Formula 1. The two entrepreneurs have been vivid drivers and key actors when both these events were located in Valencia.

The situation with many organisations involved in the destination branding of Valencia is not totally friction free. However, it seems that the involved parties have managed to overcome most of the problems noted by Baker and Cameron (2008) and instead private and public sector stakeholders successfully joined forces, facilitated by recognised DMOs, (c.f. Prideaux and Cooper, 2002:35).

Concerning the different brands (see 3.3) under which tourists are attracted, the vision of putting Valencia on the map is an initiative not excluding other localities to pursue their efforts to attract tourists. It is more a question of what segment of tourists one is aiming for. In the case of Valencia the niche chiselled out is more focused on cultural tourism than sunbathing. Not that the latter activity is impossible to engage in being in Valencia, but the objective from TH has not been to copy Alicante or Benidorm.

4.3 Airports' Role in Destination Branding

The Valencia airport is important in terms of the destination accessibility (c.f. Macchiavelli and Vaghi, 2003). Possibilities to depart and land conveniently are vital parts of the overall experience of a destination. However, the development of the airport was primarily initiated from other organisations than the local or central AENA representatives. In the case of Valencia, the airport played an important, but rather passive role in the overall destination branding efforts and does not seem to have had any significant impact on increases in passenger numbers. Organisations like TB and TVCB have been far more active. When the Valencia airport engaged in other activities like renting premises to organisations like BMW for launching cars, TVCB initiated the activity. TVCB also had to convince AENA that this activity would gain the airport in terms of revenues as well as Valencia in terms of attracting tourists. These results can give an indication that the air transport industry, particularly airports are not fully aware of their part in the tourism industry. Even though some actors working in the air transport industry are aware of the industry's relation to tourism, this can be an indication that the relationship is not permeating the whole organisation.

As an interesting detail found when visiting Valencia was that the airport – thus contrary to Paternoster (2008) – did not use a brand of its own. The only display of brands at Valencia airport, on site and in their written documentation, was of other organisation's brands. The only relevant brand for air transport seen at the Valencia airport was the AENA logo, but with no added on tag for the local destination. This we interpret as in line with the overall rather passive role of the Valencia airport, where execution of tasks decided elsewhere is in focus. Thus, having a brand of its own is obviously not a requirement for being successful in terms of passenger numbers growth (Graham, 2003). One can only speculate on what a more active role taken by the airport would have contributed to in the destination branding of Valencia. However, a more active role played by the airport might still not require a specific airport brand, especially if such an airport brand mostly added to the plethora of existing brands in and around the Valencia destination.

4.4 Funding the Development Activities

The ambitions of putting Valencia on the map have of course required vast resources. Hosting high profile events and constructing attractive tourist attractions does not come cheap. The financing of the many activities and infrastructural improvement needed has

been possible through generating domestic Spanish funds as well as regional development resources from the European Union. The rather large sums of regional development funds from the EU have been matched by domestic spending, but one would not have been possible without the other. However, it is noteworthy that Valencia is claimed to have been far more successful in attaining EU funds for the development of its city and surrounding region than other parts of Spain (Javier).

5. CONCLUSIONS

Valencia has managed to attract more tourists by choosing an alternative strategy to merely being just another sunbathing place on the Spanish Mediterranean coast. The destination has thus succeeded in extending its brand beyond the seaside resort into cultural tourism and hosting events. The Valencia airport has been successful in terms of passenger number growth without having a brand of its own. The airport does not even play a particularly active role in the promotion of Valencia. Other actors, collaborating in a complex development process, are far more active in the promotion and brand extension of the destination, which obviously compensate for the airport passivity. Thus, we see the need for further studies on what would be the outcomes if the airport of a destination played a more active role in the development activities and brand extension efforts.

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ⁱ The top ten airports are: Sydney, Melbourne, Brisbane, Perth, Adelaide, Gold Coast, Cairns, Canberra, Hobart and Darwin (BITRE 2008a, p. 4ff.).

ⁱⁱ With regard to subsidies, the EU adopted new regulations in September 2005 according to which financial incentives shall still be allowed, but within narrow bounds:

- a) Subsidies must not be paid for the ordinary flight operation of an airline, but only for start-up costs of new routes (depending on the specific airport, 30-50% of these expenses may be reimbursed).
- b) Refunding shall be limited to a period of three years, for particularly less-favoured regions to five years.
- c) Only regional airports with less than 5 million passengers shall be allowed to pay financial incentives, in exceptional cases, such as business slumps, also airports with 5-10 million passengers (Pranger 2005).

ⁱⁱⁱ "Rex has joined forces with Virgin Blue to provide regional travellers with a convenient and cost effective method of flying around the country. Passengers flying on Rex from regional centres to Adelaide, Melbourne and Sydney will be able to remain in the same terminal and connect smoothly to their Virgin Blue destination or vice versa, without the hassle of handling their own bags in between." (Regional Express 2009)

^{iv} Les Gets, Morzine-Avoriaz, Villard-de-Lans, Chamois, Collepietra, Tires, Nova Levante, Nova Ponente, Pieve di Cadore, Forni di Sopra, Feltre, Sauris, Funes, Racines, Arosa, Interlaken, Werfenweng, Hinterstoder, Neukirchen, Berchtesgaden, Bad Reichenhall, Bled.

^v SuperAlp was the closing activity of the EU Interreg Project Alpine Awareness. A group of journalists was invited to travel through the Alps using environmental-friendly transport means.

^{vi} Austrian Ministry of Economic Affairs-Tourism department, Austrian Ministry of Innovation and Transport, CEO of the AP association, Mayor of Werfenweng, Mayor of Berchtesgaden, Mayor of Hinterstoder, Tourism director of Berchtesgadener Land (i.e. two Pearl villages), Tourism director of Rosengarten-Latemar (i.e. four Pearl villages), Tourism director of Hinterstoder region, Manager of Movelo, Manager of mobility centre in Hinterstoder, Manager of mobility centre in Pongau region, Trafico Consultancy.

^{vii} Alpenplatform, Green Seat, High Speed Alliance, De Kleine Aarde, Transavia, Travelsense, Trees for Travel, and TUI (in alphabetical order).

^{viii} ANVR, ANWB, De Boer en Wendel, EETC, Eurolines, KLM, NS Travel, OAD, Sawadee, SNP, Sunweb/GoGoTours, and Treinreiswinkel (in alphabetical order).